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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in EPI (Holdings) Limited (the “Company”), you should at once hand this circular to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sales or transfer was effected for transmission to the purchaser or the transferee.

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NOTICE OF ANNUAL GENERAL MEETING

PROPOSAL FOR RE-ELECTION OF RETIRING DIRECTORS, REFRESHMENT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, REFRESHMENT OF SCHEME MANDATE LIMIT AND EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

A notice convening the annual general meeting of the Company to be held at Boardroom 3-4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 8 June 2012 at 10:00 a.m. or any adjournment is set out from pages 19 to 22 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting of the Company. Completion and return of the form of proxy shall not preclude you from attending and voting at the annual general meeting of the Company should you so wish.

This circular will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of the Company for at least 7 days from the date of its posting.

* For identification purpose

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DEFINITIONS

In this circular, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“AGM”	the annual general meeting of the Company to be held at Boardroom 3-4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 8 June 2012 at 10:00 a.m., notice of which is set out on pages 19 to 22 of this circular
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company” or “EPI”	EPI (Holdings) Limited, a company incorporated in Bermuda and the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Eligible Person(s)”	any employee or proposed employee (whether full time or part time), directors (including executive, non-executive and independent non-executive directors) of any member of the Group or any Invested Entity and any supplier, customer, consultant, adviser or shareholder of any member of the Group or any Invested Entity, who, in the sole discretion of the Board, have contributed or will contribute to the growth and development of the Group or any Invested Entity
“Existing General Mandate”	the general mandate to issue up to 414,175,517 new Shares granted by the Shareholders to the Directors at the special general meeting of the Company held on 29 September 2011
“General Mandates”	the general mandate to issue Shares and Securities Repurchase Mandate to be sought at the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	the new mandate proposed to be sought at the AGM to authorize the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the AGM
“Invested Entity/Entities”	any entity/entities in which the Group holds any equity interest
“Latest Practicable Date”	4 May 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	the option(s) granted or to be granted under the Share Option Scheme to subscribe for Shares in accordance with the terms thereof
“PRC”	the People’s Republic of China
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group, which must not in aggregate exceed 10% of the Shares in issue as at the date on which dealings in the Shares first commence on the Stock Exchange which may be refreshed pursuant to the rules of the Share Option Scheme. If the Scheme Mandate Limit is refreshed, the total number of Shares which may be issued upon exercise of all options to be granted must not in aggregate exceed 10% of the Shares in issue as at the date of passing of the relevant ordinary resolutions at the AGM
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of the Shares
“Share Option Scheme”	the share option scheme adopted by the Company on 6 November 2006
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

LETTER FROM THE BOARD



(Incorporated in Bermuda with limited liability)
(Stock Code: 689)

Executive Directors:

Mr. Chu Kwok Chi, Robert
Mr. Hong Kin Choy

Independent non-executive Directors:

Mr. Cheung Yuk Ming
Mr. Qian Zhi Hui
Mr. Zhu Tiansheng

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Head Office and principal
place of business:*

Room 6303, 63/F., Central Plaza
18 Harbour Road, Wanchai
Hong Kong

10 May 2012

To the Shareholders

Dear Sir or Madam,

NOTICE OF ANNUAL GENERAL MEETING

PROPOSAL FOR RE-ELECTION OF RETIRING DIRECTORS, REFRESHMENT OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, REFRESHMENT OF SCHEME MANDATE LIMIT AND EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

INTRODUCTION

The purpose of this circular is to give you notice of the AGM and information on matters to be dealt with at the AGM. They are: (a) re-election of retiring Directors; (b) the refreshment of General Mandates to issue Shares and to repurchase Shares, (c) the refreshment of Scheme Mandate Limit and (d) the extension of General Mandate to issue Shares.

* For identification purpose

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

The Board of Directors currently consists of five directors, namely Mr. Chu Kwok Chi Robert, Mr. Hong Kin Choy, Mr. Cheung Yuk Ming, Mr. Qian Zhi Hui and Mr. Zhu Tiansheng.

All directors will retire from office at the AGM pursuant to Article 99(A) of the Company's Bye-laws and will offer themselves for re-election. Details of the retiring Directors proposed for re-election at the AGM are set out in the Appendix I of this circular.

GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES

At the special general meeting of the Company held on 29 September 2011, Shareholders approved, among other things, an ordinary resolution to grant to the Directors General Mandates to allot up to 414,175,517 Shares. As at the Latest Practicable Date, the Existing General Mandate had been utilized as to approximately 98.99%. As set out in the announcement of the Company dated 14 October 2011 (the "**Announcement I**"), 80,000,000 Shares were issued under the Existing General Mandate as a result of the top-up placing of 80,000,000 Shares under the placing agreement dated 14 October 2011. As stated in the Announcement I, the net proceeds from the top-up placing of approximately HK\$13.56 million were intended to be used as to HK\$11.36 million for financing the Mendoza oil project and as to the balance of HK\$2.2 million as general working capital of the Group. As set out in the announcement of the Company dated 25 April 2012 (the "**Announcement II**"), 330,000,000 Shares were issued under the Existing General Mandate as a result of the top-up placing of 330,000,000 Shares under the placing agreement dated 25 April 2012. As stated in the Announcement II, the net proceeds from the top-up placing of approximately HK\$47 million were intended to be used as general working capital of the Group. The general mandate to issue Shares will expire at the conclusion of the AGM.

At the annual general meeting of the Company held on 11 July 2011, Shareholders approved, among other things, an ordinary resolution to grant to the Directors General Mandates to repurchase up to 207,087,758 Shares. The general mandate to repurchase Shares will expire at the conclusion of the AGM.

Ordinary resolutions will be proposed at the AGM to grant to the Directors new general mandates, inter alia, (a) to allot and issue Shares not exceeding 20% of the issued share capital of the Company as at the date of the passing such resolution; (b) to repurchase Shares not exceeding 10% of the issued share capital of the Company as at the date of passing of such resolution; and (c) to extend the general mandate to issue Shares by the number of Shares purchased under the Securities Repurchase Mandate.

The Directors believe that it is in the interests of the Company and the Shareholders as a whole if the General Mandates are granted at the AGM. The General Mandates provide the Directors with flexibility to issue Shares especially in the context of a fund raising exercise or a transaction involving an acquisition by the Company where Shares are to be issued as consideration and which has to be completed speedily. However, the Directors currently have no intention of any acquisition by the Company or any plan for raising capital by issuing new Shares after the refreshment of the General Mandates.

LETTER FROM THE BOARD

As at the Latest Practicable Date, a total of 2,150,877,588 Shares were in issue. The total number of shares as at the Latest Practicable Date did not include the issuance of subscription shares of 330,000,000 shares pursuant to the announcement of the Company dated 25 April 2012 for the placing of existing shares and top-up subscription of new shares under general mandate, which has not been completed at the Latest Practicable Date. Subject to the passing of the proposed resolution for the Refreshment of General Mandate and on the basis that no Share will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 430,175,517 Shares.

An explanatory statement providing all the information required under the Listing Rules concerning the Securities Repurchase Mandate is set out in Appendix II to this circular.

REFRESHMENT OF SCHEME MANDATE LIMIT

The Share Option Scheme was approved and adopted by the Shareholders at the special general meeting of the Company on 6 November 2006 whereby the Directors were authorized to grant options to the Eligible Person(s). The Scheme Mandate Limit was initially set at 10% of the Shares in issue as at the date of adoption of the Share Option Scheme which represents a maximum number of new Shares that may be issued upon the exercise of all options under the Share Option Scheme. The existing Scheme Mandate Limit was refreshed at the annual general meeting held on 11 July 2011, which enables the Directors to grant options to Eligible Persons under the Share Option Scheme to subscribe for up to 207,087,758, Shares, representing 10% of the Shares in issue as at 11 July 2011.

The movements of the Share Options granted under the existing Scheme Mandate Limit are as follows:

	Share Options
Existing scheme limit as at 11 July 2011	207,087,758
Granted in October 2011	<u>(140,000,000)</u>
Unused limit as at Latest Practicable Date	<u><u>67,087,758</u></u>

Save as disclosed above, no Share Option granted under the existing Scheme Mandate Limit has been exercised, lapsed or cancelled.

The Scheme Mandate Limit may be refreshed by the approval of the Shareholders and the refreshed Scheme Mandate Limit must not exceed 10% of the issued share capital of the Company as at the date of the approval. Share Options previously granted under the Share Option Scheme and other share option schemes of the Group (including options outstanding, cancelled, exercised or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) shall not be counted for the purposes of calculating the refreshed Scheme Mandate Limit.

LETTER FROM THE BOARD

The Directors propose that the Scheme Mandate Limit be refreshed so that the Share Option Scheme can serve its purpose of giving incentives to eligible participants for their contribution to the Group. Based on the issued share capital of 2,150,877,588 Shares as at the Latest Practicable Date, the number of Shares under the Scheme Mandate Limit to be refreshed will be 215,087,758 Shares, being 10% of the issued share capital of the Company as at the Latest Practicable Date. The total number of shares as at the Latest Practicable Date did not include the issuance of subscription shares of 330,000,000 shares pursuant to the announcement of the Company dated 25 April 2012 for the placing of existing shares and top-up subscription of new shares under general mandate, which has not been completed at the Latest Practicable Date.

Under the rules of the Share Option Scheme, the overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Company must not, in aggregate, exceed 30% of the Shares in issue from time to time. On the basis of 2,150,877,588 Shares in issue as at the Latest Practicable Date, the 30% overall limit represents a total of 645,263,276 Shares. As at the Latest Practicable Date, the total outstanding number of Shares which may fall to be issued upon the exercise of those granted and yet to be exercised option since adoption of the Share Option Scheme is 152,379,999 Shares, representing approximately 7.08% of the issued Shares as at the Latest Practicable Date. Accordingly, the refreshment of the Scheme Mandate Limit does not exceed the 30% overall limit as at the Latest Practicable Date.

The purpose of the Share Option Scheme is to provide incentive or reward to Eligible Persons for their contribution to and continuing efforts to promote the interests of the Company. The Directors consider that the refreshing of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole.

The conditions of the Proposed Refreshment:

- (a) the passing of the necessary ordinary resolution by the Shareholders at the AGM to approve the Proposed Refreshment; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the Shares to be issued pursuant to the exercise of the Options to be granted under the refreshed Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the refreshed Scheme Mandate Limit. A copy of the Share Option Scheme will be available for inspection at the Company's principal place of business in Hong Kong during normal business hours from the date hereof up to and including the date of Annual General Meeting.

LETTER FROM THE BOARD

EXTENSION OF GENERAL MANDATE TO ISSUE SHARES

A separate resolution, as required by the Listing Rules, to add the aggregate amount of the Shares which may be repurchased pursuant to the authority granted by the general mandate to repurchase shares to the Directors to allot new Shares up to 20% of the issued share capital of the Company will be proposed at the Annual General Meeting.

ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 19 to 22 of this circular at which resolutions will be proposed, inter alia, to approve (a) re-election of retiring Directors; (b) the refreshment of General Mandates to issue Shares and to repurchase Shares, (c) the refreshment of Scheme Mandate Limit and (d) the extension of General Mandate to issue Shares. A form of proxy for use by the Shareholders at the AGM is enclosed. Whether you are able to attend the AGM or not, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrars in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

VOTE BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Board is pleased to recommend Mr. Chu Kwok Chi Robert, Mr. Hong Kin Choy, Mr. Cheung Yuk Ming, Mr. Qian Zhi Hui and Mr. Zhu Tiansheng to stand for re-election by Shareholders as Directors. Their biographies are set out in Appendix I for Shareholders' consideration. The Board also believes that the grant of General Mandates, the refreshment of Scheme Mandate Limit and the extension of General Mandates to issue Shares are in the best interest of the Company and the Shareholders as a whole, and accordingly recommends the Shareholders to vote in favor of all resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board of
EPI (Holdings) Limited
Chu Kwok Chi Robert
Executive Director & CEO

The details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

EXECUTIVE DIRECTORS

Mr. Chu Kwok Chi, Robert, aged 61, has been acting as a sales director for the Group since August 2004 and was appointed Executive Director for the Group in September 2006, heading consumer electronic business. Mr. Chu has over 30 years of experience in international trade and the electronics industry. Mr. Chu has been responsible for the marketing, sales, trading and production functions of various private and listed consumer electronics companies in Hong Kong. He was the Managing Director of Eltic Electronics Company Limited, a subsidiary of Greatwall Cybertech Limited (former name of EPI (Holdings) Limited) from 1990 to 2000. Mr. Chu was appointed as the Executive Director of Vision Tech International Holdings Limited (HKSE Stock Code: 922) from 3 March 2008 to 10 June 2009. He holds a Bachelor Degree in Business Administration.

Save as disclosed above, Mr. Chu has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with other directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Chu has a personal interest in 33,852,938 shares in the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no service contract entered into between the Company and Mr. Chu. The length of appointment is not specified and Mr. Chu is subject to retirement and re-election in accordance with the Company's Bye laws. There is no agreement as to the director fee of Mr. Chu. His director fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company performance and the prevailing market situation and subject to the Shareholders' approval at the AGM. For the year ended 31 December 2011, Mr. Chu was entitled to a director emolument of HK\$1,222,000.

Saved as disclosed above, Mr. Chu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

Mr. Hong Kin Choy, aged 47, joined the Group as the Financial Controller in October 2005 and was promoted to the Chief Financial Officer of the Company in September 2006. Mr. Hong oversees the Group's financials and carries out the role of Company Secretary. He is a practising certified public accountant in Hong Kong and a Fellow Member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Hong has over 20 years of experience in the fields of audit, accountancy, business advisory services and corporate finance. Mr. Hong received a Professional Diploma in Accountancy from Hong Kong Polytechnic University in 1987, and subsequently worked for international accounting firm Deloitte Touche Tohmatsu for 5 years, where he had extensive experience in accountancy, auditing and taxation. Mr. Hong has wide

experience in the commercial sector and has held Financial Controller and General Manager Positions for more than 10 years. Prior to joining the Group, Mr. Hong runs a CPA firm in his own name.

Mr. Hong has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with other directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Hong does not have any interest in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no service contract entered into between the Company and Mr. Hong. The length of appointment is not specified and Mr. Hong is subject to retirement and re-election in accordance with the Company's Bye laws. There is no agreement as to the director fee of Mr. Hong. His director fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company performance and the prevailing market situation and subject to the Shareholders' approval at the AGM. For the year ended 31 December 2011, Mr. Hong was entitled to a director emolument of HK\$1,028,000.

Saved as disclosed above, Mr. Hong has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Cheung Yuk Ming, aged 59, joined the Group in June 2011. He is a member of the Hong Kong Institute of Bankers, a member of the Institute of Internal Auditors of the United States, a member of the Alliance of Acquisition and Merger Advisors (Chicago, the United States), a member of the Chartered Institute of Arbitrators (U.K.), an associate of The Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Securities Institute.

Mr. Cheung obtained a Master's degree in business administration from the University of East Asia, Macau in 1987. Mr. Cheung has undertaken a one-year course of "Advanced Research Class on the Development and Investment Strategies of the Mineral Industry in China" in China University of Geosciences and an engineering management course in The Institute of Civil Engineering Surveyors. Prior to June 2009, Mr. Cheung had served as assistant auditor and senior accountant at PricewaterhouseCoopers, and was a partner of Lau, Cheung, Fung & Chan. He has been an executive director of Lawrence CPA Limited since January 2005 and an independent non-executive director of Metallurgical Corporation of China Limited (HKSE stock code: 1618) since June 2009 and an independent non-executive director of Travelsky Technology Limited (HKSE stock code: 696) since March 2010.

Save as disclosed above, Mr. Cheung has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with other

directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Cheung does not have any interest in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no service contract entered into between the Company and Mr. Cheung. The length of appointment is not specified and Mr. Cheung is subject to retirement and re-election in accordance with the Company's Bye laws. There is no agreement as to the director fee of Mr. Cheung. His director fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company performance and the prevailing market situation and subject to the Shareholders' approval at the AGM. For the year ended 31 December 2011, Mr. Cheung was entitled to a director emolument of HK\$84,000.

Saved as disclosed above, Mr. Cheung has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

Mr. Qian Zhi Hui, aged 49, has been an Independent Non-Executive Director for the Group since September 2008. Mr. Qian joined China National Native Produce & Animal By-Products Import & Export Corporation, Guangdong Province, as chief legal advisor in 1988. He joined Guangzhou King Pound Law Firm as lawyer in 1993 and is currently a partner of Guangdong Justwin Law Firm.

From 2006 to 2008, he was the Independent Non-Executive Director of New Times Group Holdings Limited (HKSE stock code: 166). He has a Master degree in Procedural Law from Southwest University of Political Science and Law. Save as disclosed, Mr. Qian does not hold any directorship of any other listed companies in the last three years, does not hold any other positions with the Company and other members of the Group and does not have any other relationships with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Qian does not have any interest in the shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no service contract entered into between the Company and Mr. Qian. The length of appointment is not specified and Mr. Qian is subject to retirement and re-election in accordance with the Company's Bye-laws. There is no agreement as to the director fee of Mr. Qian. His director fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company performance and the prevailing market situation and subject to the Shareholders' approval at the AGM. For the year ended 31 December 2011, Mr. Qian was entitled to a director emolument of HK\$150,000.

Saved as disclosed above, Mr. Qian has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

Mr. Zhu Tiansheng, aged 66, joined the Group in November 2009. He has over 39 years extensive experience in project management, operations, design and construction process of oil and natural gas transmission pipeline, exploration, production and transporting heavy oil, recycling of light hydrocarbon, design and construction of natural gas treatment plants in numerous oil field projects in China.

Mr. Zhu has been employed by China National Offshore Oil Corporation (“CNOOC”) since 1986. Since 2005, he is the Senior Consultant and the Chief Project Officer for China Offshore Oil & Gas Development & Utilization Company of CNOOC, participating in the construction of asphalt plant. From 2004 to 2005, he was the Deputy Director of Coordination Office of CNOOC and Mr. Fu Chengyu, was the director and currently the General Manager of CNOOC. From 2001 to 2004, Mr. Zhu was the General Manager of China Ocean Oilfields Services (Hong Kong) Limited.

During the period of 1997 to 2001, Mr. Zhu was the General Manager of the Construction Department of CNOOC. The Construction Department is responsible for the organization and investigation of concept design and plans of development, an immediate and final investigation of the basic design. The detailed designs, constructions and installations are managed by the Project Units, which are organized by the Construction Department. The Construction Department also organizes and co-operates with foreign companies for the development and construction of oil and gas fields.

From 1992 to 1997, Mr. Zhu was the Deputy Manager of Development and Production Department of CNOOC and he was responsible for construction development. During the period of 1986 to 1992, he was offered the position of Chief of Project Management Office of Construction Department of CNOOC.

In 1986, Mr. Zhu was transferred to CNOOC from Liaohe Oil Field, China where he had worked there for over 11 years in the 70s and his last position was the Chief of Oil and Gas Management Office of Liaohe Oil Field.

Mr. Zhu was graduated at the Beijing Petroleum Institute and was majoring in oil and gas storage and transportation engineering since 1969. During his work tenor, Mr. Zhu was trained in Japan for 3 months in recycling of light hydrocarbon and studied project management in EGT in United Kingdom during 1994.

Mr. Zhu has not held any directorships in other listed public companies in the past three years, does not hold any other position with the Company and other members of the Group and does not have any other relationships with other directors, senior management, substantial shareholders or controlling shareholders of the Company. Mr. Zhu has a personal interest in outstanding share options granted by the Company to subscribe for 270,000 Shares at exercise price of HK\$1.61 per Share within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no service contract entered into between the Company and Mr. Zhu. The length of appointment is not specified and Mr. Zhu is subject to retirement and re-election in accordance with the Company’s Bye laws. There is no agreement as to the director fee of

Mr. Zhu. His director fee is to be determined by the Board with reference to his duties and responsibilities with the Company, the Company performance and the prevailing market situation and subject to the Shareholders' approval at the AGM. For the year ended 31 December 2011, Mr. Zhu was entitled to a director emolument of HK\$150,000.

Saved as disclosed above, Mr. Zhu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rules 13.51 (2)(h) to (v) of the Listing Rules.

This is the explanatory statement given to the Shareholders relating to a resolution authorizing the Company to repurchase its own Shares which is proposed to be passed by the Shareholders by means of an ordinary resolution at the AGM.

This explanatory statement contains a summary of the information required pursuant to Rule 10.06 of the Listing Rules which is set out as follows:

SHARE CAPITAL

As at the Latest Practicable Date, the authorized share capital of the Shares was 10,000,000,000 Shares, of which a total of 2,150,877,588 Shares were issued and fully paid. The total number of shares as at the Latest Practicable Date did not include the issuance of subscription shares of 330,000,000 shares pursuant to the announcement of the Company dated 25 April 2012 for the placing of existing shares and top-up subscription of new shares under general mandate, which has not been completed at the Latest Practicable Date.

Assuming that no further Shares are issued or repurchased after the Latest Practicable Date and before the date of AGM, there will be 215,087,758 Shares in issue, and exercise in full of the Repurchase Mandate would result in up to a maximum of 215,087,758 Shares being repurchased by the Company during the relevant period referred to in ordinary resolution numbered 5 of the notice of the AGM.

REASON FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Directors to purchase the Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

The repurchase of Shares shall be made with funds legally available for such purpose in accordance with its memorandum of association and the Bye-laws and the applicable laws of Bermuda. Under Bermuda law, repurchases may only be effected out of the capital paid up on the purchased Shares or out of funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased. It is envisaged that the funds required for any repurchase would be derived from such sources.

As compared to the financial position of the Company as at 31 December 2011 (being the date of the Company's latest audited accounts), the Directors consider that the repurchases of securities will have no material adverse impact on the working capital and the gearing position of the Company in the event that the Securities Repurchase Mandate

were to be exercised in full during the proposed repurchase period. The Directors do not propose to exercise the Securities Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates, as defined in the Listing Rules, has any present intention, in the event that the Securities Repurchase Mandate is approved by the Shareholders, to sell Shares of the Company. No connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Securities Repurchase Mandate is approved by the Shareholders.

UNDERTAKING BY THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Securities Repurchase Mandate in accordance with the Listing Rules, the Bye-laws and the applicable law of Bermuda.

SHARES REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has not repurchased any Shares (whether on the Exchange or otherwise).

EFFECT OF THE TAKEOVER CODE AND MINIMUM PUBLIC FLOAT

If as a result of a repurchase of Shares an ordinary shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of ordinary shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. If the Company were to repurchase Shares up to the permitted maximum of 10% of the issued ordinary share capital of the Company, such parties may together with any other parties acting in concert with them become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

APPENDIX II**EXPLANATORY STATEMENT ON
SECURITIES REPURCHASE MANDATE**

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 366 of the SFO, and so far as is known to the Directors, the following Shareholders and its parties acting in concert were directly interested in 5% or more of the issued share capital of the Company carrying rights to vote in all circumstances at general meetings of the Company together with the number of Shares in which it was deemed to be interest:

Name	Number of Shares held as at the Latest Practicable Date	Percentage of holding as at the Latest Practicable Date	Percentage of holding if the Repurchase Mandate is exercised in full
Rich Concept Worldwide Limited (<i>Note 1</i>)	125,810,827	5.85%	6.50%
Wong Chi Wing Joseph	<u>5,896,600</u>	<u>0.27%</u>	<u>0.30%</u>
Parties acting in concert	<u>131,707,427</u>	<u>6.12%</u>	<u>6.80%</u>
City Smart International Investment Limited (<i>Note 2</i>)	398,232,975	18.51%	20.57%
City Wise Investment Limited (<i>Note 2</i>)	<u>7,466,856</u>	<u>0.35%</u>	<u>0.39%</u>
Parties acting in concert	<u>405,699,831</u>	<u>18.86%</u>	<u>20.96%</u>

Notes:

1. Rich Concept Worldwide Limited is a company beneficially wholly-owned by Mr. Wong Chi Wing Joseph.
2. City Smart International Investment Limited and City Wise Investment Limited are beneficially wholly-owned by Mr. Wu Shaozhang.

On the basis that no further Shares are issued between the Latest Practicable Date and the date of repurchase under the Repurchase Mandate, in the event that the Directors exercise in full the Repurchase Mandate, the interest of the above Shareholders would be increased to approximately the percentage shown in the last column above and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that no further Shares are issued between the Latest Practicable Date and the date of repurchase under the Repurchase Mandate, the Directors exercise in whole or in part the Repurchase Mandate will not result in less than 25% of the issued share capital of the

Company being held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

In the event that the Directors exercise the Repurchase Mandate in full and assuming there is no change in the issued share capital of the Company as at the passing of the relevant resolution granting the Repurchase Mandate, the interest of the above Shareholders would be increased to approximately the percentage shown in the last column above and such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

PRICES OF THE SHARES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

Share	Highest HK\$	Lowest HK\$
2012		
May (up to the Latest Practicable Date)	0.199	0.180
April	0.186	0.140
March	0.190	0.161
February	0.217	0.147
January	0.166	0.148
2011		
December	0.185	0.154
November	0.226	0.166
October	0.230	0.104
September	0.119	0.096
August	0.223	0.104
July	0.235	0.210
June	0.370	0.218
May	0.570	0.350

NOTICE OF ANNUAL GENERAL MEETING



(Incorporated in Bermuda with limited liability)
(Stock Code: 689)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of EPI (Holdings) Limited (the “Company”) will be held at Boardroom 3-4, Mezzanine Floor, Renaissance Harbour View Hotel Hong Kong, 1 Harbour Road, Wanchai, Hong Kong on Friday, 8 June 2012 at 10:00 a.m. for the purpose of considering and, if though fit, passing with or without modifications, the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2011.
2. To re-elect retiring directors and authorize the Directors to fix the remuneration of the Directors.
3. To re-appoint auditors and to authorize the Directors to fix their remuneration.
4. “**THAT:**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period (to be defined in paragraph (d) below) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
 - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (to be defined in paragraph (d) below), or (ii) any share option schemes of the Company

* For identification purpose

NOTICE OF ANNUAL GENERAL MEETING

approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Company’s articles of association to be held; or
- (iii) the date upon which the authority set out in this resolution revoked or varied by way of ordinary resolution of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

5. **“THAT:**

- (a) the exercise by the Directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase the shares (the **“Shares”**) of HK\$0.10 each in the share capital of the Company on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong (the **“Securities and Futures Commission”**) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any other applicable law of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.”

6. “**THAT:**

conditional upon the passing of the ordinary resolutions numbered 4 and 5 in the notice convening the annual general meeting of the Company, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company which has been repurchased by the Company since the granting of such general mandate pursuant to the exercise by the directors of the Company of the powers of the Company to repurchase such amount of shares, provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of this resolution.”

7. “**THAT:**

subject to and conditional upon the granting by the Listing Committee of the Stock Exchange of the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of option to be granted under the refreshed scheme mandate limit (the “**Scheme Mandate Limit**”) under the share option scheme adopted on 6 November 2006, which entitles the Directors to grant options after the listing of Shares on the Stock Exchange, in the manner as set out in paragraph (a) of this resolution,

NOTICE OF ANNUAL GENERAL MEETING

- (a) the refreshment of the Scheme Mandate Limit of up to 10 per cent of the Shares in issue as at the date of passing of this resolution be and is hereby approved; and
- (b) the Directors be and are hereby authorized do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

Yours faithfully,
For and on behalf of the Board of
EPI (Holdings) Limited
Chu Kwok Chi Robert
Executive Director & CEO

Hong Kong, 10 May 2012

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head Office and principal place of business:
Room 6303, 63/F., Central Plaza
18 Harbour Road, Wanchai
Hong Kong

Notes:

- (1) A shareholder entitled to attend and vote at the meeting may appoint one or more than one proxy to attend and to vote instead of him. A proxy need not be a shareholder of the Company.
- (2) In the case of joint holders of any share, any one of such persons may vote at the said meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders is present at the said meeting, personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (3) In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company's branch share registrars in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting at which the person named in the instrument proposes to vote. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person should they so wish.
- (4) In order to determine the Shareholders of the shares who are entitled to attend the Annual General Meeting, the Company register of members will be closed from Wednesday, 6 June 2012 to Friday, 8 June 2012, both days inclusive, during which period no transfer of shares will be effected. Holders of shares who wish to attend the Annual General Meeting must deposit the share certificates together with the transfer documents at the Company branch share registrars in Hong Kong, Tricor Tengis Limited, at 26/F., Tesbury Centre, 28 Queen Road East, Hong Kong, at or before 4:30 p.m. on Tuesday, 5 June 2012.

As at the date of this notice, the Board comprises two executive directors, namely, Mr. Chu Kwok Chi, Robert and Mr. Hong Kin Choy; and three independent non-executive directors, namely, Mr. Cheung Yuk Ming, Mr. Qian Zhi Hui and Mr. Zhu Tiansheng.