

EXECUTION

DATED 31 March 2015

EPI (Holdings) Limited  
(the "Company")

AND

GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED  
("Guotai Junan")

AND

EVER-LONG SECURITIES COMPANY LIMITED  
("Ever-Long")

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**UNDERWRITING AGREEMENT**

in relation to the proposed Open Offer of not less than 242,617,879 and not more than  
349,857,353 Offer Shares  
at HK\$0.50 per Offer Share payable in full on acceptance  
(in the proportion of one (1) Offer Share  
for every two (2) Adjusted Shares held on the Record Date)

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**THIS AGREEMENT** is made on 31 March 2015

**BETWEEN**

- (1) **EPI (Holdings) Limited**, a company incorporated in Bermuda with registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and principal place of business at Room 1108-09, 11/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong (the "**Company**");
- (2) **GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED**, a company incorporated under the laws of Hong Kong and having its registered office at 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong ("**Guotai Junan**"); and
- (3) **EVER-LONG SECURITIES COMPANY LIMITED**, a company incorporated under the laws of Hong Kong with registered office at 18th Floor, Dah Sing Life Building, 99-105 Des Voeux Road Central, Hong Kong, ("**Ever-Long**" and together with Guotai Junan, the "**Underwriters**", and each an "**Underwriter**").

**WHEREAS:-**

- (A) The Company was incorporated in Bermuda and is a public company whose shares are listed on the Stock Exchange. As at the date hereof, the Company has an authorised share capital of HK\$1,000,000,000 divided into 10,000,000,000 Shares of HK\$0.1 each, of which 4,852,357,588 Shares are in issue.
- (B) The Company now proposes to effect the Capital Reorganisation.
- (C) The Company has determined by resolution of its board of directors to approve the Open Offer and to offer the Offer Shares for subscription in the proportion of one (1) Offer Share for every two (2) Adjusted Shares to the Qualifying Shareholders held on the Record Date at the Subscription Price payable in full on acceptance or otherwise on the terms and subject to the conditions set out in this Agreement and the Offering Documents.
- (C) As at the date of this Agreement, the Company has (i) outstanding Convertible Notes in the principal amount of HK\$60,000,000, convertible into 315,789,473 Shares at the prevailing conversion price of HK\$0.19 per Share, (ii) Options outstanding entitling the holders thereof to subscribe for up to 1,204,000,000 Shares, and (iii) Warrants outstanding entitling the holders thereof to subscribe for up to 625,000,000 Shares.
- (D) The offer of the Offer Shares for subscription as aforesaid will be made by the issue of the Offering Documents to the Qualifying Shareholders.
- (E) Application shall be made by the Company to the Listing Division of the Stock Exchange (as defined below) for listing of, and permissions to deal in, the Offer Shares.
- (F) The Underwriters have agreed to fully underwrite the Underwritten Shares on the terms

and subject to the conditions set out in this Agreement.

- (G) Each of the Underwriters may enter into sub-underwriting arrangement(s) with sub-underwriter(s) or appoint any person to be sub-agent(s) on behalf of it for the purpose of arranging for the sub-underwriting of the Underwritten Shares with selected sub-underwriters with such authority and rights as the Underwriters PROVIDED THAT (i) none of the Underwriters shall subscribe, for its own account, for such number of Offer Shares not taken up by the Qualifying Shareholders which will result in the voting rights of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to reach 30.00% of the then issued share capital of the Company; and (ii) each of the Underwriters shall ensure that none of the subscribers of the Underwritten Shares will become a substantial shareholder (as defined in the Listing Rules) of the Company as a result of such subscription.
- (H) As at the date hereof, Mr. Wu is interested in a total of 485,699,831 Shares, of which 7,466,856 Shares are held by City Smart and 478,232,975 Shares are held by City Wise.

**NOW IT IS HEREBY AGREED** as follows: -

## **1. DEFINITIONS**

- 1.1 In this Agreement including the Recitals, unless the context otherwise requires, the following expressions have the following meanings:

<b>"Adjusted Share(s)"</b>	shares of HK\$0.01 each in the capital of the Company upon the Capital Reorganisation becoming effective;
<b>"Announcement"</b>	the announcement to be made by the Company concerning the Open Offer substantially in the form of the draft annexed hereto marked <b>"Exhibit A"</b> subject to such amendments as the Company and the Underwriters may agree
<b>"Application Form"</b>	the Application Form to be used in connection with the Open Offer to be issued to the Qualifying Shareholders, in such usual form as may be agreed between the Company and the Underwriters
<b>"associate(s)"</b>	has the meaning ascribed thereto in the Listing Rules
<b>"Business Day"</b>	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
<b>"Capital Reorganisation"</b>	(a) the consolidation of (10) issued Shares of HK\$0.10 each into one consolidated share of HK\$1.00 each ("Share Consolidation"); (b) the rounding down of the total number of issued

consolidated shares by cancellation of the fractional consolidated share arising from the Share Consolidation;

- (c) the reduction in paid-up capital of each consolidated share from HK\$1.00 each to HK\$0.01 by cancelling paid-up capital to the extent of HK\$0.99 on each consolidated share so as to form an Adjusted Share of HK\$0.01 ("Capital Reduction") and the credit arising from the Capital Reduction be credited to the contributed surplus account of the Company;
- (d) the sub-division of each of the authorised but unissued Share of HK\$0.10 each into ten Adjusted Shares of HK\$0.01 each;
- (e) all amounts standing to the credit of the share premium account of the Company be cancelled (the "Share Premium Reduction") and the credit arising from the Share Premium Reduction be transferred to the contributed surplus account of the Company; and
- (f) the application of the amounts in the contributed surplus account of the Company in such manner as the Board may deem fit including to set off the accumulated losses of the Company in the manner permitted by the laws of Bermuda and the bye-laws of the Company

**"CCASS"**

the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited

**"CCASS Underwritten Shares"**

the Underwritten Shares which the Underwriters request the Company to deposit into CCASS pursuant to **Clause 4.4(b)**

**"City Smart"**

City Smart International Investment Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Wu;

**"City Wise"**

City Wise Investment Limited, a company incorporated in the British Virgin Islands and wholly owned by South America Petroleum Investment Holdings Limited, which is in turn wholly-owned by Mr. Wu;

**"Convertible Notes"**

the 8% coupon convertible note(s) in the aggregate principal amount of HK\$100,000,000 issued by the Company on 11 April 2013 to the noteholder(s), of which the principal amount of HK\$60,000,000 remains outstanding as at the date hereof;

<b>"Director(s)"</b>	director(s) of the Company
<b>"Group"</b>	the Company and the Subsidiaries
<b>"HK\$"</b>	Hong Kong dollar, the lawful currency of Hong Kong
<b>"Hong Kong"</b>	the Hong Kong Special Administrative Region of the PRC
<b>"Irrevocable Undertaking"</b>	an irrevocable undertaking to be given on the date hereof by Mr. Wu, City Smart and City Wise in favour of the Company in respect to their full acceptance of their assured entitlements under the Open Offer, substantially in the form annexed hereto in Annex I;
<b>"Latest Time for Acceptance"</b>	4:00 p.m. on 9 June 2015 or such other time and date as may be agreed between the Company and the Underwriters in writing, being the latest time for acceptance of the offer of Offer Shares as described in the Offering Documents
<b>"Latest Time for Termination"</b>	4:00 p.m. on the Settlement Date or such other time and date as may be agreed between the Company and the Underwriters, being the third Business Day after (but excluding) the Latest Time for Acceptance
<b>"Listing rules"</b>	Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
<b>"Mr. Wu"</b>	Mr. Wu Shaozhang
<b>"Non-Qualifying Shareholder(s)"</b>	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is/are in (a) place(s) outside Hong Kong, where the Directors consider it necessary or expedient not to offer the Offer Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
<b>"Open Offer"</b>	the proposed offer for subscription by the Qualifying Shareholders for the Offer Shares at the Subscription Price on the terms and subject to the conditions set out in this Agreement and the Offering Documents;
<b>"Offer Shares"</b>	not less than 242,617,879 Adjusted Shares and not more than 349,857,353 Adjusted Shares to be allotted and issued pursuant to the Open Offer as referred to in <b>Clause 3</b> on the basis of one (1) Offer Share for every two (2) Adjusted Shares in issue on the Record Date
<b>"Option(s)"</b>	option(s) granted by the Company under the Share

	Option Scheme to subscribe for Shares
<b>"PRC"</b>	the People's Republic of China which for the purpose of this Agreement excludes Hong Kong, Macau Special Administrative Region and Taiwan
<b>"Offering Circular"</b>	an offering circular relating to the Open Offer to be despatched to the Shareholders on the Offering Circular Posting Date, in such form as may be agreed between the Company and the Underwriters
<b>"Offering Documents"</b>	the Offering Circular and the Application Form
<b>"Offering Circular Posting Date"</b>	26 May 2015 or such later date as may be agreed between the Underwriters and the Company in writing for the despatch of the Offering Documents
<b>"Qualifying Shareholders"</b>	the Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
<b>"Record Date"</b>	21 May 2015 or such other date as may be agreed between the Company and the Underwriters in writing for the determination of the entitlements under the Open Offer
<b>"Registrar"</b>	the branch share registrar of the Company in Hong Kong, being Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong;
<b>"Settlement Date"</b>	12 June 2015, being the third Business Day following (but excluding) the Latest Time for Acceptance (or such other time or date as the Underwriters and the Company may agree in writing) as the day for settlement of the Open Offer
<b>"Shares"</b>	ordinary shares of HK\$0.1 each in the capital of the Company;
<b>"Share Option Scheme"</b>	the share option scheme adopted by the Company on 6 November 2006
<b>"Shareholders"</b>	holders of Shares or Adjusted Shares, as the context may require
<b>"Stock Exchange"</b>	The Stock Exchange of Hong Kong Limited
<b>"Subscription Price"</b>	HK\$0.50 per Offer Share
<b>"Subsidiaries"</b>	the subsidiaries (as a "subsidiary" is defined under the Listing Rules) of the Company
<b>"Sub-Underwriter(s)"</b>	the sub-underwriter(s) who has agreed to act as a sub-underwriter in relation to the Offer Shares

	pursuant to the sub-underwriting agreement with any of the Underwriters
<b>"Takeovers Code"</b>	The Code on Takeovers and Mergers and Share Buy-back of the Securities and Futures Commission of Hong Kong
<b>"Underwritten Shares"</b>	all Offer Shares, other than the 24,284,990 Offer Shares that will be applied for subscription by City Smart and City Wise pursuant to the Irrevocable Undertaking;
<b>"Untaken Shares"</b>	the meaning ascribed thereto in <b>Clause 3(e)</b>
<b>"Warrants"</b>	outstanding non-listed transferable warrants issued by the Company entitling the holders thereof to subscribe for Shares
<b>"%"</b>	per cent

- 1.2 References to the singular number include the plural and vice versa and references to one gender include every gender.
- 1.3 References to Clauses, Exhibit and Recitals are to clauses, exhibit and recitals to this Agreement.
- 1.4 References in this Agreement to time are to Hong Kong time.

## 2. CONDITIONS

- 2.1 The obligations of the Underwriters under this Agreement are conditional on:
  - (a) the Capital Reorganisation having become effective;
  - (b) the posting of the Offering Documents to the Qualifying Shareholders on or before the Offering Circular Posting Date;
  - (c) the Listing Division of the Stock Exchange granting or agreeing to grant (subject to allotment) listing of, and permission to deal in, the Offer Shares by no later than the first day of their dealings;
  - (d) compliance by the Company with its obligations under Clause 3(a) of this Agreement;
  - (e) (i) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than three trading days (other than pending clearance by the Stock Exchange and publications of announcements, circulars or the Offering Documents); and (ii) no indication being received before 4:00 p.m. on the Settlement Date from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) (other than pending publications of announcements in

respect of the Open Offer); and

- (f) the execution and delivery of the Irrevocable Undertaking in favour of the Company and the Underwriters on the date of this Agreement,

and that in the event of the said conditions not being fulfilled or (in respect of condition (d) only) waived by the Underwriters at their sole discretion on or before the respective prescribed dates (or if no time or date is set out, 30 June 2015 or such other date as may be agreed between the Company and the Underwriters in writing), or if this Agreement shall be rescinded pursuant to **Clause 8**, all obligations and liabilities of the parties hereunder shall forthwith cease and determine and no party shall have any claim against the other parties (save for any antecedent breaches and claims hereof).

- 2.2 The Company agrees to use its reasonable endeavours to procure fulfilment of all the conditions mentioned in **Clause 2.1** and to do all such other acts and things as may be required to carry into effect the Open Offer. The Underwriters shall give the Company all necessary assistance in this connection.
- 2.3 If any of the conditions set out in **Clause 2.1** above are not fulfilled or (in respect of condition (d) only) waived by the Underwriters at their sole discretion on or before the respective prescribed dates (or if no time or date is set out, 30 June 2015 or such other date as may be agreed between the Company and the Underwriters in writing), the Agreement shall terminate (save in respect of any provisions of **Clauses 9 to 17**) and no party will have any claim against any other parties (save for any antecedent breaches and claims hereof).

### 3. OPEN OFFER

Subject to fulfilment and/or waiver of the conditions set out in **Clause 2.1**:

- (a) the Company shall offer the Offer Shares to each Qualifying Shareholder assured entitlements to Offer Shares at the Subscription Price, in the proportion of one (1) Offer Share for every two Adjusted Shares held on the Record Date, by posting the Offering Documents to such holders on the basis that payment for the Offer Shares shall be made in full on acceptance not later than the Latest Time for Acceptance.
- (b) no fractional entitlements to the Offer Shares will be allotted to Qualifying Shareholders and no Offer Shares will be offered to the Non-Qualifying Shareholders.
- (c) no right of excess application shall be made available to the Qualifying Shareholders.
- (d) the Company shall, on the Offering Circular Posting Date, post the Offering Circular to the Non-Qualifying Shareholders marked "*For information purposes only*".
- (e) Untaken Shares shall mean:
  - (i) all those Underwritten Shares for which duly completed Application Form (accompanied by cheques or banker's cashier order for the full amount payable on the applications which are honoured on first, or at the option of the Company, subsequent presentation) have not been lodged for acceptance by Qualifying Shareholders, or received, as the



case may be, on or before the Latest Time for Acceptance;

- (ii) any Offer Shares representing aggregation of fractions of Offer Shares;  
and
- (iii) any Offer Shares which would otherwise have comprised the assured entitlements of the Non-Qualifying Shareholders.

#### 4. UNDERWRITING

- 4.1 (a) Subject to the provisions of this Agreement, if and to the extent that at 4:00 p.m. on the Latest Time for Acceptance, there shall remain any Untaken Shares (subject as provided in **Clauses 2 and 8**), then the Underwriters shall procure that such Untaken Shares shall be taken up severally (and not jointly or jointly and severally) by the Underwriters or subscribers procured by it and/or the Sub-Underwriters on terms of the Offering Documents save as regards the time for acceptance and payment, and on the basis that Ever-Long shall not be called upon to take up any Untaken Shares before Guotai Junan has been called upon to take up the maximum number of Offer Shares comprised in its underwriting commitment set opposite its name in the table below (and the underwriting commitment of Ever-Long, being the maximum number of Offer Shares that it can become obliged to take up under this Clause 4.1, is set out opposite its name in the table below):

<u>Underwriter</u>	<u>Underwriting Commitment</u>
Ever-Long	22,000,000 Offer Shares
Guotai Junan	Such number (rounded down to the nearest integral number) of Offer Shares calculated as follows : $A + (B \times C)$ Where A means 196,332,889 B means the number of Adjusted Shares that are issued pursuant to the conversion or exercise of Convertible Notes, Options or Warrants outstanding as at the date of this Agreement and on or before the Record Date C means 1/2

Such allocation of underwriting commitment between the Underwriters can be modified by mutual agreement between the Underwriters, provided that (i) other obligations of the Underwriters and all other terms and conditions of this Agreement shall remain unchanged; and (ii) all the Underwriters shall notify the Company in writing such modification of underwriting commitment forthwith.

- (b) Each Underwriter shall pay or procure to be paid to the Company the amount due on acceptance in respect of their respective Underwritten Shares (less the amount of underwriting commission, fees and expenses payable to the Underwriters in accordance with **Clause 6**), in immediately available funds, by no later than 4:00 p.m. on the Settlement Date.

- (c) The obligations imposed on the Underwriters in respect of the Underwritten Shares under **Clause 4.1(a)** shall be several only, and not joint, nor joint and several. For the avoidance of doubt, each Underwriter shall:
  - (i) not be liable for any failure on the part of the other Underwriters to perform their respective obligations under **Clause 4.1**; and
  - (ii) notwithstanding (i) above, be entitled to enforce any or all of its rights under this Agreement either alone or jointly with the other Underwriter.
- 4.2 In performance of its obligations hereunder, the Underwriters shall comply fully with all relevant laws and shall not do or omit anything the doing or omission of which shall or can reasonably be expected to cause the Company or any of the Directors to be in breach of any relevant laws and in particular, but without prejudice to the generality of the foregoing, the Underwriters shall ensure that all offers made by them of the Offer Shares are made only in compliance with all relevant securities legislation and do not require the registration of the Offering Documents or any of them or any other document as a prospectus or otherwise in any jurisdiction other than Hong Kong. The Underwriters shall not make or purport to make on behalf of the Company any representation or warranty not contained in the Offering Documents.
- 4.3 The Company shall procure that the Registrar keeps the Underwriters regularly informed of the number of Offer Shares validly accepted for during the period up to 4:00 p.m. on the Latest Time for Acceptance and notifies the Underwriters in writing as soon as practicable thereafter and in any event no later than 3:00 p.m. on the second Business Day following the Latest Time for Acceptance of the total number of the Untaken Shares (if any) for which valid acceptances as aforesaid have been received as at such time and date.
- 4.4 The Untaken Shares dealt with as provided in **Clauses 4.1** shall be duly allotted and issued and either:
  - (a) the allottees thereof shall be duly entered on the register of members of the Company in respect of the Offer Shares so allotted and certificates in respect thereof shall be issued in such names and in such denominations as the Underwriters may reasonably require and the same shall be delivered to the Underwriters or as it may direct; or
  - (b) in respect of the CCASS Underwritten Shares, the Company shall credit to the Underwriter's or the Underwriter's nominee's account with CCASS and provide sufficient evidence or confirmation of the same to the Underwriters. If any of the CCASS Underwritten Shares is not accepted into CCASS by the Settlement Date, certificates in respect of such CCASS Underwritten Shares shall be issued in respect thereof on the basis set out in **Clause 4.4(a)**,

and following completion of these arrangements, all obligations and liabilities of the Underwriters under this Agreement shall cease.

- 4.5 Each of the Underwriters may enter into sub-underwriting arrangement(s) with sub-underwriter(s) or appoint any person to be sub-agent(s) on behalf of that Underwriter for the purpose of arranging for the sub-underwriting of the Underwritten Shares such that each of the Underwriters and any of the Sub-Underwriter(s) (together with their respective parties acting in concert as defined in Takeovers Code) will not own 30% or more of the issued share capital of the Company immediately after completion of the Open Offer. In the event that any Underwriter or any of the

Sub-Underwriters is required to take up the Untaken Shares pursuant to their underwriting/sub-underwriting obligations:

- (a) Without prejudice to the underwriting obligations under Clause 4.1, none of the Underwriters shall subscribe, for its own account, for such number of Untaken Shares which will result in it and parties acting in concert with it owning 30% (or such other percentage which shall trigger a general offer to be made for the Shares under the Takeovers Code) or more of the voting rights of the Company upon the completion of the Open Offer;
- (b) Each of the Underwriters shall use its best endeavours to ensure that each of the Sub-Underwriters and subscribers procured by it or the Sub-Underwriters (i) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the directors or chief executive of the Company or substantial Shareholders of the Company or their respective associates; (ii) shall not, together with any of its associates, hold 10% or more of the Adjusted Shares of the Company upon completion of the Open Offer; (iii) shall not, together with party(ies) acting in concert (as such term is defined in the Takeovers Code) with each of them, hold 30% (or such other percentage which shall trigger a general offer to be made for the Shares under the Takeovers Code) or more of the voting rights of the Company upon completion of the Open Offer; and
- (c) Each of the Underwriters shall use its best endeavours to ensure each of the Sub-Underwriters to procure independent placees to take up such number of Untaken Shares as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with by the Company.

## **5. ALLOTMENT AND ISSUE**

- 5.1 Subject to the fulfilment of the conditions referred to in **Clause 2.1** and performance by the Underwriters of its obligations under **Clause 4** (if called upon to do so), the Company shall, on or as soon as practicable after the Settlement Date, duly allot and issue the Offer Shares validly accepted as soon as practicable after the Latest Time for Acceptance and shall issue certificates for the Offer Shares to the respective subscribers or (as the case may be) their nominees in accordance with the terms of the Offering Documents.
- 5.2 The Untaken Shares taken up by the Underwriters as provided in **Clause 4** shall be duly allotted and issued in the manner as provided in **Clause 4.4**.
- 5.3 In relation to the issue of the Offer Shares, the Company shall pay all such fees, charges, duties and costs, supply all such information, give all such undertakings, execute all such documents and do all such things as may be required by applicable laws, rules and regulations or by the Stock Exchange.

## **6. REMUNERATION AND EXPENSES**

- 6.1 In consideration of the Underwriters' services and provided the Open Offer and this Agreement shall have become unconditional and the Open Offer shall have been completed in accordance with its terms and the Underwriters shall have fulfilled all its obligations hereunder (whether or not the Underwriters are called upon to subscribe or procure subscribers for the Untaken Shares pursuant to **Clause 4**), the Company shall pay to the Underwriters:

- (a) an underwriting commission of an amount equal to 1% of the aggregate Subscription Price of the Underwritten Shares comprised in the initial underwriting commitment of that Underwriter specified in Clause 4.1(a); and
- (b) to the Underwriters all reasonable costs and other out-of-pocket expenses properly incurred by the Underwriters in respect of the Open Offer up to maximum amount of HK\$10,000 (other than the legal fees incurred by the Underwriters in respect of the Open Offer contemplated under this Agreement and all sub-underwriting commission payable by any of the Underwriters to the Sub-Underwriters for the Offer Shares, which shall be borne by that Underwriter).

The Underwriters shall be entitled to deduct the underwriting commission and other reasonable costs and out-of-pocket expenses as referred to in **Clause 6.1(a) and (b)** of this Agreement from the subscription money in respect of the Untaken Shares in accordance with **Clause 4.1**. In the case that such sums are not so deducted, such amounts shall be payable by the Company within 3 Business Days of the first written request by the Underwriters.

- 6.2 Out of the said commission, the Underwriters shall pay their own sub-underwriting commission (if any) they may incur in respect of the Offer Shares.

## **7. REPRESENTATIONS, WARRANTIES AND INDEMNITIES**

- 7.1 The Company hereby represents, warrants and undertakes to the Underwriters that, subject as provided herein:

- (a) Recitals (A) to (E) and (H) to this Agreement are true and accurate in all material respects and there are no rights (other than as contemplated under this Agreement or pursuant to the Share Option Scheme, Convertible Notes and Warrants) (whether conditional or unconditional) in existence which require the issue of any Shares or other securities of the Company now or at any time hereafter and (save with the consent of the Underwriters) no further share capital or loan capital will be issued by the Company and no alteration will be made in the rights attached to any of the issued Shares pending the commencement of dealings in the Offer Shares;
- (b) all statements of fact contained or to be contained in the Offering Documents and the Announcement (other than those made by the Underwriters) are or shall when made be true and accurate in all material respects and are not or shall not be misleading in any material respect and there are no facts, which are known or on reasonable enquiry could have been known to the Company and which have not been disclosed to the Underwriters and shall not be disclosed in the Offering Documents and the Announcement, the omission of which could make any statement in the Offering Documents and the Announcement misleading in a material respect or which in the context of the Open Offer are material for disclosure therein;
- (c) the statements and the expressions of opinion, intention and expectation of the Company to be contained in the Offering Documents and the Announcement or in the documents referred to therein have been, or shall be, made after due and proper consideration, are fair and reasonable and based on facts known to the Company;

- (d) the Offering Documents and the Announcement shall contain all material particulars required to comply with all Hong Kong statutory and other provisions so far as applicable and the requirements of the Stock Exchange and the issue of the Offer Shares in accordance with the Offering Documents shall comply with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32), the Listing Rules, the requirements of the Stock Exchange and all other relevant regulations in Hong Kong;
- (e) subject to fulfilment of the conditions set out in **Clause 2.1**, the Company has power under its memorandum of association and bye-laws to, and has taken all necessary corporate or other action to enable it to, enter and perform its obligations under this Agreement and to make the Open Offer, to allot and issue the Offer Shares and to deal with the Offer Shares attributable to the Non-Qualifying Shareholders as may be specified in the Offering Documents and no other consents, actions, authorisations or approvals are necessary to enable or authorise it to do any of the aforesaid;
- (f) the obligations of the Company contained in this Agreement constitute the legal, valid and binding obligations of each of them respectively enforceable in accordance with the terms herein;
- (g) the returns for taxation purposes, which ought to have been made by or in respect of each of the companies in the Group in Hong Kong and any other part of the world, have been duly made and there are no circumstances known to any company in the Group or any of their respective directors, after making due and careful enquiry, which would be the occasion of any such dispute with the relevant revenue or other appropriate authorities which is materially adverse to the Group, and all such returns are in all material respects up to date, correct and on a proper basis and are not the subject of any material dispute with the relevant revenue or other appropriate authorities;
- (h) the Company shall have available authorised share capital sufficient to permit the Offer Shares to be issued pursuant to the Open Offer;
- (i) save as disclosed in the public announcements or annual/interim/quarterly reports of the Company, there has been no adverse change or any development in the financial condition, or operations or prospects of any company in the Group since 31 December 2014 which would be considered material in the context of the Open Offer;
- (j) each of the companies in the Group is duly incorporated in and under the laws of its place of incorporation and has full power and authority to conduct its business as now carried on;
- (k) each of the companies in the Group has since 31 December 2014 carry on business in the ordinary and usual course and since such date, has not entered into any material contracts or commitments of an unusual or onerous nature;
- (l) no company in the Group has any capital commitment which is material in the context of the Group as a whole other than arising in the ordinary course of its business;
- (m) neither the Company nor any of its subsidiaries is a party to any litigation or arbitration proceedings which is material in the context of the Group as a whole, nor is there any such proceedings threatened or pending against the Company

or any of its subsidiaries, and there are no circumstances known to any of the companies in the Group or any of their respective directors which are likely to give rise to any such litigation or arbitration proceedings;

- (n) save as disclosed in the Offering Documents, there is no material indebtedness, or guarantee or indemnity of any liability, of any company in the Group which is material in the context of the Group as a whole;
- (o) the Offer Shares shall, when fully paid, rank *pari passu* in all respects with the Adjusted Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of issue of the Offer Shares; and
- (p) save and except pursuant to the Share Option Scheme, the terms and conditions of the Convertible Notes and the Capital Reorganisation, no Shares/Adjusted shall be allotted or issued between the date hereof up to and including the Record Date.

7.2 The representations and warranties contained in **Clause 7.1** are given as the date hereof. In addition, they shall be deemed to be repeated on the Offering Circular Posting Date with respect (where relevant) to the Offering Documents in their final form and on the Latest Time for Acceptance, in each case, with reference to the facts and circumstances then subsisting. The Company shall not do or omit to do (and shall procure that no Subsidiary shall do or omit to do), any act or thing whereby any of the representations or warranties in **Clause 7.1** would be untrue in any respect on the Offering Circular Posting Date or on the Latest Time for Acceptance and the Company undertakes to notify the Underwriters of any matter or event coming to its attention prior to the despatch of the Offering Documents or prior to the Latest Time for Acceptance which shows any representation or warranty to be or to have at any relevant time been untrue or inaccurate in any material respect or which, had the representations and warranties contained in **Clause 7.1** been repeated on each day prior to the Latest Time for Acceptance, would have shown any representation or warranty to be or to have at any relevant time been untrue or inaccurate in any material respect.

7.3 If, prior to the despatch of the Offering Documents or on or prior to 4:00 p.m. on the Latest Time for Acceptance, any matter or event comes to the attention of the Company, as a result of which any representation or warranty, if repeated immediately after the occurrence thereof, would be untrue or inaccurate in any material respect or which would or might render untrue, inaccurate in any material respect or misleading any statement, whether of fact or opinion, contained in the Offering Documents if the same were issued immediately after such occurrence, the Company shall forthwith notify the Underwriters thereof and, but without prejudice to the absolutely rights of the Underwriters pursuant to **Clause 8**, the Company and the Underwriters shall forthwith consult with a view to agreeing what steps should be taken (including without limitation notifying the Stock Exchange and taking any steps necessary to avoid a false market in the Offer Shares, and deciding what changes, if any, should be made to the Offering Documents or, if the Offering Documents have already been despatched, what announcement or circular, if any, should be made or despatched). The Company agrees not to make any such changes or announcement without the prior written consent of the Underwriters (which consent shall not be unreasonably withheld or delayed).

7.4 The Company shall indemnify the Underwriters on demand and shall hold the Underwriters indemnified against all reasonable loss or liability of any nature (including,

without limitation, claims, costs, charges, and expenses) whatsoever arising from or in respect of any material breach by the Company of the warranties and representations under **Clause 7** of this Agreement, or any material claim for which judgment or award has been made or entered against the Underwriters or settled with the consent of the Company in each case arising out of or in relation to or by reason of the performance by the Underwriters of their respective obligations hereunder (and provided that such loss or liability is not connected with any failure by the Underwriters to comply strictly with its obligations under **Clause 4.1**), by any subscriber or sub-underwriter of any of the Offer Shares claiming that he has suffered loss in respect of them as a result of:-

- (a) the Offering Documents and the Announcement not containing all the material information required to be stated therein or on the grounds that any statement, estimate or forecast contained in the Offering Documents and the Announcement is untrue, inaccurate or misleading in any material respect;
- (b) any claims and proceedings arising out of matters which constitute a breach of the representations and warranties in **Clause 7.1**;
- (c) other than a non-compliance or breach by the Underwriters' obligations pursuant to **Clause 4.1**, any breach of the laws or regulations of any country resulting from the allotment or issue of the Offer Shares or the distribution of the Offering Documents;
- (d) any material misrepresentation by the Company in connection with the Open Offer; or
- (e) the allotment or issue of the Offer Shares,

including in any such case (but without prejudice to the generality of the foregoing) all reasonable costs, charges and expenses of whatever nature which the Underwriters would properly incur or bear in disputing any such claim made against it or establishing any claim on their part under the foregoing provisions of this **Clause 7.4** provided that this indemnity shall not relate to any claims or proceedings costs or expenses arising from any gross negligence, fraud or wilful default, on the part of the Underwriters and that the conduct of the defence (including any settlement of any such claim) shall be carried out by the Underwriters after, and on the basis of, regular consultation with the Company.

- 7.5 If the Underwriters become aware of any claim relevant for the purposes of **Clause 7.4**, the Underwriters shall give notice in writing thereof to the Company and shall take such action as the Company may reasonably request to avoid, dispute, resist, defend or appeal against the claim and any adjudication in respect thereof but subject to the Underwriters being indemnified and secured to their satisfaction against all losses and expenses to which they might thereby render themselves liable to suffer and incur including without limitation legal expenses properly incurred by their legal advisers.
- 7.6 No claim shall be made against the Underwriters by the Company or its directors to recover any damage, claim, cost, charge, or expense which the Company or its directors may suffer arising out of or in relation to or by reason of the proper and lawful carrying out by the Underwriters of any act in connection with the transactions contemplated herein, the due and proper performance by the Underwriters of its obligations hereunder or otherwise in connection with the allotment or issue of the Offer Shares or the preparation or despatch of the Offering Documents or the Announcements PROVIDED THAT such damage, claim, cost, charge, or expense has not arisen from the Underwriter's gross negligence, fraud or wilful default.

- 7.7 The undertakings, representations, warranties and indemnities in this Agreement shall remain in full force and effect notwithstanding completion of the Open Offer and all matters and arrangements referred to in or contemplated by this Agreement.

## **8. TERMINATION AND FORCE MAJEURE**

- 8.1 If, prior to the Latest Time for Termination:

- (1) any material breach of any warranties or the undertakings contained in the Agreement comes to the knowledge of the Underwriters, or there has been a material breach on the part of the Company of any other provision of the Agreement; or
- (2) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer after the signing of this Agreement; or
- (3) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring after the signing of this Agreement or continuing after the signing of this Agreement), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (4) any material adverse change after the signing of this Agreement in the business or in the financial or trading position of the Group as a whole which is material in the context of the Open Offer; or
- (5) any event or circumstances in the nature of force majeure including but without limitation any act of God, war, riot, public disorder, civil commotion, fire, flood, terrorism or strike occurred after the signing of this Agreement in or affecting Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group which would materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (6) the commencement by any third party of any litigation or claim against any member of the Group after the signing of this Agreement which is or might be material to the Group taken as a whole; or
- (7) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Share generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (8) there is any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group); or
- (9) any statement contained in the Offering Circular has become and been



discovered to be untrue, incorrect, incomplete or misleading in any material aspect, or matters have arisen or have been discovered which would, if the Offering Circular was to be issued at the time, constitute a material omissions therefrom,

the effect of which events and circumstances referred to in **Clause 8.1**, individually or in aggregate (in the reasonable opinion of the Underwriters after consultation with the Company): (i) is or would be reasonably likely to be materially adverse to, or prejudicially affects or would be reasonably likely to prejudicially affect, the Group as a whole or the success of the Open Offer; or (ii) makes it inadvisable or inexpedient to proceed with the Open Offer, the Underwriters shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate this Agreement.

- 8.2 If prior to the Latest Time for Termination any such notice as is referred to in **Clause 8.1** is given by the Underwriters, all obligations of the Underwriters hereunder shall cease and determine and the obligations of all parties under this Agreement (save in respect of this **Clause 8** and the provisions of **Clause 7** which shall remain in full force and effect) shall terminate forthwith provided that the Company shall remain liable to pay such fees and expenses as agreed by the parties pursuant to **Clause 6.1**.

## 9. ANNOUNCEMENTS

Subject as required by law or as otherwise required by the Stock Exchange or the Securities and Futures Commission of Hong Kong, the Company shall not issue any announcement or circular relating to the Open Offer from the date hereof up to and including the completion of the Open Offer without prior consultation with the Underwriters as to the contents thereof and the timing and manner of the making or despatch thereof, and the Company shall take into account reasonable and appropriate requirements on the part of the Underwriters in relation thereto.

## 10. SUCCESSORS AND ASSIGNEES

- 10.1 This Agreement shall be binding on and endure for the benefit of each party's personal representative, successors and (where permitted) assignees.
- 10.2 No part of this Agreement may be assigned by any party without the prior written consent of the other parties hereto.

## 11. NOTICES

- 11.1 Any notice required to be given hereunder will be deemed to be duly served if left at or sent by hand, by telex or facsimile transmission or pre-paid post to the registered office or to the following addresses and facsimile numbers and marked for the attention of the following persons:

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>
The Company	Room 1108-09, 11/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong	(852) 2481 2902
Guotai Junan	27/F., Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong	(852) 2509 7791

Ever-Long

18th Floor, Dah Sing Life Building, (852) 2815 3522  
99-105 Des Voeux Road Central,  
Hong Kong

11.2 Any such notice will be deemed to be served if sent by facsimile on receipt of answerback, if sent by hand at the time when the same is handed to or left at the address of the party to be served, and if sent by post on the day (excluding Sundays or Hong Kong public holidays) after the day of posting.

11.3 The Company shall issue a written notice to the Underwriters if there is any change in the timetable in respect of the Open Offer.

## **12. TIME**

Time shall be of the essence in this Agreement.

## **13. GOVERNING LAW**

This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong and the parties hereby irrevocable submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection with this Agreement, provided that this Agreement may be enforced in any other court of competent jurisdiction.

## **14. COUNTERPARTS**

This Agreement may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument.

## **15. FURTHER ASSURANCE**

Each of the parties hereto shall give all such assistance and provide all such information as the other parties (or either of them) shall require for the purposes of this Agreement and shall execute and do all such documents acts and things as the other parties (or either of them) may require in order to give effect to the terms of this Agreement.

## **16. INVALIDITY**

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair:

- (i) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or
- (ii) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Agreement.

## **17. VARIATION**

No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of each of the parties hereto. The expression "variation" shall include any

variation, supplement, deletion or replacement however effected.

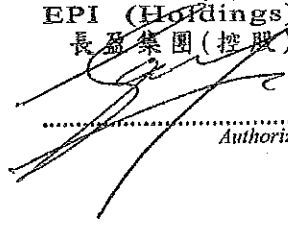
IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by  
for and on behalf of  
EPI (HOLDINGS) LIMITED

*Sammy Tse*

in the presence of:

*Wing Tsang*

) For and on behalf of  
) EPI (Holdings) Limited  
) 長盈集團(控股)有限公司  
)   
) .....  
) Authorized Signature(s)

SIGNED by  
for and on behalf of  
GUOTAI JUNAN SECURITIES  
(HONG KONG) LIMITED  
in the presence of:

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)

SIGNED by  
for and on behalf of  
EVER-LONG SECURITIES  
COMPANY LIMITED  
in the presence of:

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IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by )  
for and on behalf of )  
EPI (HOLDINGS) LIMITED )  
in the presence of: )

SIGNED by *Donny Wong*  
for and on behalf of  
GUOTAI JUNAN SECURITIES  
(HONG KONG) LIMITED  
in the presence of: *Vivian ZHANG*

For and on behalf of  
國泰君安證券(香港)有限公司  
GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED  
) *[Signature]*  
) .....  
) Authorized Signature(s)  
) *[Signature]*

SIGNED by )  
for and on behalf of )  
EVER-LONG SECURITIES )  
COMPANY LIMITED )  
in the presence of: )

IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by )  
for and on behalf of )  
EPI (HOLDINGS) LIMITED )  
in the presence of: )

SIGNED by )  
for and on behalf of )  
GUOTAI JUNAN SECURITIES )  
(HONG KONG) LIMITED )  
in the presence of: )

SIGNED by Mr. Ng Shun Fu. )  
for and on behalf of )  
EVER-LONG SECURITIES CO., LTD )  
in the presence of: Joanne Mak. )

For and on behalf of  
EVER-LONG SECURITIES COMPANY LIMITED  
長雄證券有限公司

  
Authorized Signature(s)

Dated 17 April 2015

- (1) EPI (HOLDINGS) LIMITED
- (2) GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED
- (3) EVER-LONG SECURITIES COMPANY LIMITED

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**SUPPLEMENTAL AGREEMENT**

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THIS SUPPLEMENTAL AGREEMENT dated 17 April 2015 is made

**BETWEEN**

- (1) **EPI (Holdings) Limited**, a company incorporated in Bermuda with registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and principal place of business at Room 1108-09, 11/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong (the "**Company**");
- (2) **GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED**, a company incorporated under the laws of Hong Kong and having its registered office at 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong ("**Guotai Junan**"); and
- (3) **EVER-LONG SECURITIES COMPANY LIMITED**, a company incorporated under the laws of Hong Kong with registered office at 18th Floor, Dah Sing Life Building, 99-105 Des Voeux Road Central, Hong Kong, ("**Ever-Long**" and together with Guotai Junan, the "**Underwriters**", and each an "**Underwriter**").

**WHEREAS:**

- (A) The Company and the Underwriters have entered into the underwriting agreement dated 31 March 2015 (the "**Underwriting Agreement**") in respect of the proposed Open Offer of the Company in the proportion of one (1) Offer Share for every two (2) Adjusted Shares held on the Record Date.
- (B) The Company and the Underwriters have agreed to the amendment of the Underwriting Agreement subject to and on terms set out in this Agreement.

**NOW IT IS HEREBY AGREED** that in consideration of the mutual agreement to enter into this Supplemental Agreement: -

**1. DEFINITIONS**

Unless the context otherwise requires, terms defined in the Underwriting Agreement have the same meanings when used in this Agreement.

**2. AMENDMENT**

- 2.1 The Underwriting Agreement be and hereby amended with immediate effect by adding the following paragraph (g) immediately after Clause 2.1(f) to the Underwriting Agreement:

"(g) the Shareholders (other than those who are required to abstain from voting pursuant to the Listing Rules) having approved at a general meeting the refreshment of the existing scheme mandate in respect of granting of Options to the extent that the total number of shares in the capital of the Company which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other option schemes of the Company will not exceed 5.10% of the issued share capital of the Company as at the date of that general meeting (subject to adjustments on share consolidation or subdivision)"



- 2.2 Any provision of the Underwriting Agreement, other than those amended in accordance with this Supplemental Agreement, shall remain unchanged and be in full force and effect. This Supplemental Agreement shall be treated as part of the Agreement and shall be construed together with the Underwriting Agreement.

**3. COUNTERPARTS**

This Supplemental Agreement may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument.

**4. GOVERNING LAW AND JURISDICTION**

This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong and the parties hereby irrevocable submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection with this Agreement, provided that this Agreement may be enforced in any other court of competent jurisdiction. Clause 13 of the Agreement is incorporated herein by reference mutatis mutandis.

**IN WITNESS** whereof this Agreement has been entered into the day and year first above written.

**SIGNED** by  
for and on behalf of  
**EPI (HOLDINGS) LIMITED**

SAMMY TSE

in the presence of:

WING TSANG

**SIGNED** by  
for and on behalf of  
**GUOTAI JUNAN SECURITIES**  
**(HONG KONG) LIMITED**  
in the presence of:

**SIGNED** by  
for and on behalf of  
**EVER-LONG SECURITIES**  
**COMPANY LIMITED**  
in the presence of:

IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by  
for and on behalf of  
EPI (HOLDINGS) LIMITED

in the presence of:

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)

SIGNED by Donny Wong  
for and on behalf of  
GUOTAI JUNAN SECURITIES  
(HONG KONG) LIMITED  
in the presence of: Vessie ZHANG

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)  
)  
)  
)

For and on behalf of  
國泰君安證券(香港)有限公司  
GUOTAI JUNAN SECURITIES (HONG-KONG) LIMITED

Vessie

Authorized Signature(s)

SIGNED by  
for and on behalf of  
EVER-LONG SECURITIES  
COMPANY LIMITED  
in the presence of:

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IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by  
for and on behalf of  
EPI (HOLDINGS) LIMITED

in the presence of:

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)

SIGNED by  
for and on behalf of  
GUOTAI JUNAN SECURITIES  
(HONG KONG) LIMITED  
in the presence of:

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)

SIGNED by *Ng Shun Fu*  
for and on behalf of  
EVER-LONG SECURITIES  
COMPANY LIMITED

in the presence of: *Joanne Mak*

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)  
)  
)  
)

For and on behalf of  
EVER-LONG SECURITIES COMPANY LIMITED

長雄證券有限公司

*[Signature]*  
Authorized Signature(s)