

**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, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **EPI (Holdings) Limited**, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 689)**

**PROPOSED CAPITAL REORGANISATION  
AND  
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT**

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A notice convening the special general meeting of the Company to be held at the Zenith & Applause Meeting Room, Regus Business Centre, 35/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Wednesday, 13 May 2015 at 10:00 a.m. is set out from pages SGM-1 to SGM-3 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 Level 22, Hopewell Centre, 183 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 special general meeting of the Company or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting at the special general meeting of the Company should you so wish.

\* for identification purpose only

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## DEFINITIONS

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

“Adjusted Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company upon the Capital Reorganisation becoming effective
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Capital Reduction”	the proposed reduction of the Company’s issued share capital whereby the nominal value of all the issued Consolidated Shares shall be reduced from HK\$1.0 each to HK\$0.01 each by cancelling paid-up capital to the extent of HK\$0.99 on each Consolidated Share
“Capital Reorganisation”	the proposed reorganisation of the Company’s issued share capital which comprises: (i) the Share Consolidation, (ii) the Capital Reduction, (iii) the Share Premium Reduction, and (iv) applying the credit arising from the Capital Reduction and the Share Premium Reduction in such manner as the Board may deem fit including to set-off the accumulated losses of the Company
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	Companies Act 1981 of Bermuda
“Company”	EPI (Holdings) Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange
“Consolidated Share(s)”	ordinary share(s) of HK\$1.0 each in the issued share capital of the Company immediately upon the Share Consolidation becoming effective
“Contributed Surplus Account”	the contributed surplus account of the Company
“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 remained outstanding as the Latest Practicable Date
“Director(s)”	the director(s) of the Company

## DEFINITIONS

“Eligible Persons”	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 entity in which the Group holds any equity interest (“ <b>Invested Entity</b> ”) 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
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 April 2015, being the latest practicable date prior to 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
“Open Offer”	open offer of the Company in the proportion of one Adjusted Share for every two Adjusted Shares held, which was the subject matter of the Company’s announcement dated 31 March 2015
“Scheme Mandate Limit”	the total number of shares in the capital of the Company which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other schemes of the Group
“SGM”	the special general meeting of the Company to be convened and held for approving the Capital Reorganisation
“Shareholder(s)”	the holder(s) of the Share(s), the Consolidated Share(s) or the Adjusted Share(s) (as the case may be)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company prior to the implementation of the Capital Reorganisation

<b>DEFINITIONS</b>
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“Share Consolidation”	the proposed consolidation of share(s) in the issued share capital of the Company whereby every ten (10) Shares of nominal value of HK\$0.1 each will be consolidated into one (1) Consolidated Share of nominal value of HK\$1.0
“Share Option(s)”	the share options granted pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company approved and adopted by the Company at the special general meeting of the Company on 6 November 2006, pursuant to which a total of 1,204,000,000 share options are still outstanding as at the Latest Practicable Date
“Share Premium Account”	the share premium account of the Company
“Share Premium Reduction”	the proposed cancellation of the entire amount standing to the credit of the Share Premium Account
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrants”	non-listed warrants issued by the Company
“%”	per cent

*In the event of any inconsistency, the English text of this circular and the accompanying form of proxy shall prevail over the Chinese text.*

## EXPECTED TIMETABLE

*The expected timetable for implementation of Capital Reorganisation is set out below:*

<b>Event</b>	<b>2015</b> <i>(Hong Kong time)</i>
Latest time for lodging proxy forms for the SGM .....	10:00 a.m., Monday, 11 May
Time and date of the SGM.....	10:00 a.m., Wednesday, 13 May
Announcement of results of the SGM.....	Wednesday, 13 May
Effective date of the Capital Reorganisation .....	Thursday, 14 May
Commencement of dealings in the Adjusted Shares.....	9:00 a.m., Thursday 14 May
Original counter for trading in the Shares in existing share certificates in board lots of 10,000 Shares temporarily closes .....	9:00 a.m., Thursday, 14 May
Temporary counter for trading in Adjusted Shares in board lots of 1,000 Adjusted Shares (in the form of existing share certificates) opens .....	9:00 a.m., Thursday, 14 May
First day of free exchange of existing certificates for the Shares into new certificates for the Adjusted Shares.....	Thursday, 14 May
Designated broker starts to stand in the market to provide matching service for the sale and purchase of odd lots of Adjusted Shares .....	Friday, 29 May
Original counter for trading in the Adjusted Shares in board lots of 5,000 Adjusted Shares (in the form of new certificates) re-opens .....	9:00 a.m., Friday, 29 May
Parallel trading in Adjusted Shares (in the form of both existing certificates in board lots of 1,000 Adjusted Shares and new certificates in board lots of 5,000 Adjusted Shares) commences.....	9:00 a.m., Friday, 29 May
Temporary counter for trading in board lots of 1,000 Adjusted Shares (in the form of existing certificates) closes.....	4:00 p.m., Thursday, 18 June

<b>EXPECTED TIMETABLE</b>
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**Event**
**2015**
*(Hong Kong time)*

Parallel trading in the Adjusted Shares

(represented by both existing certificates  
in board lots of 1,000 Adjusted Shares and  
new certificates in board lots of  
5,000 Adjusted Shares) ends .....

4:00 p.m., Thursday, 18 June

Designated broker ceases to stand in the market to  
provide matching services for the sale and

purchase of odd lots of Adjusted Shares ..... 4:00 p.m., Thursday, 18 June

Last day of free exchange of existing certificates

for new certificates for Adjusted Shares ..... Tuesday, 23 June

*All times and dates in above refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.*

LETTER FROM THE BOARD

**EPI** **EPI (Holdings) Limited**  
**長盈集團(控股)有限公司\***  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 689)**

*Non-executive Chairman:*  
Mr. Ho King Fung, Eric

*Executive Directors:*  
Mr. Tse Kwok Fai, Sammy  
*(Chief Executive Officer)*  
Mr. Chan Chi Hung, Anthony

*Independent Non-Executive Directors:*  
Mr. Qian Zhi Hui  
Mr. Teoh Chun Ming  
Mr. Zhu Tiansheng

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Principal place of business  
in Hong Kong:*  
Room 1108-09, 11/F  
Harbour Centre  
25 Harbour Road  
Wanchai, Hong Kong

20 April 2015

*To the Shareholders*

Dear Sir or Madam

**PROPOSED CAPITAL REORGANISATION  
AND  
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT**

**INTRODUCTION**

Reference is made to the announcements dated 31 March 2015 and 17 April 2015 published by the Company in relation to, among other things, the Capital Reorganisation and the Open Offer.

Each of the proposed Capital Reorganisation and the refreshment of the Scheme Mandate Limit is a condition precedent to the Open Offer. Accordingly, if each of the proposed Capital Reorganisation and the refreshment of the Scheme Mandate Limit was not approved by the Shareholders at the SGM, the Open Offer would not proceed. The proposed Capital Reorganisation is not conditional on the completion of the Open Offer.

The purpose of this circular is to provide you with information regarding the Capital Reorganisation and refreshment of the Scheme Mandate Limit and to give you the notice of SGM, at which resolutions will be put forward to the Shareholders to consider and, if thought fit, approve the Capital Reorganisation and the refreshment of the existing Scheme Mandate Limit.

\* for identification purpose only

## LETTER FROM THE BOARD

### A. CAPITAL REORGANISATION

The Board proposes to effect the Capital Reorganisation comprising:

- (i) a proposed Share Consolidation whereby every ten (10) Shares of nominal value of HK\$0.1 each in the issued share capital of the Company will be consolidated into one (1) Consolidated Share of nominal value of HK\$1.0, and any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled;
- (ii) a proposed Capital Reduction whereby the nominal value of all the issued Consolidated Shares will be reduced from HK\$1.0 each to HK\$0.01 each 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, and the credit arising from the Capital Reduction be credited to the Contributed Surplus Account;
- (iii) the sub-division of each of the authorised but unissued Shares of HK\$0.10 into ten Adjusted Shares of HK\$0.01 each;
- (iv) a proposed Share Premium Reduction whereby all amounts standing to the credit of the Share Premium Account will be cancelled and the credit arising from the Share Premium Reduction be credited to the Contributed Surplus Account;
- (v) the application of the amounts in the Contributed Surplus Account 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.

### Conditions of the Capital Reorganisation

The implementation of the Capital Reorganisation is conditional upon:

- (i) the passing of a special resolution approving the Capital Reorganisation by the Shareholders at the SGM;
- (ii) the compliance with Section 46(2) of the Companies Act to effect the Capital Reorganisation, including but not limited to (a) the publication of a notice in relation to the Capital Reorganisation in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the effective date of the Capital Reorganisation, and (b) the Board being satisfied that on such effective date, there are no reasonable grounds for believing that the Company is, or after the Share Premium Reduction would be, unable to pay its liabilities as they become due; and
- (iii) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Adjusted Shares.

## LETTER FROM THE BOARD

Assuming the above conditions are fulfilled, the Capital Reorganisation is expected to become effective on the next business day after the date of passing of the relevant resolution approving the Capital Reorganisation at the SGM. Subject to the fulfillment of the above conditions, the Capital Reorganisation will comply with the relevant laws of Bermuda and the Bye-Laws.

### Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,000,000,000.00 divided into 10,000,000,000 Shares, of which 4,852,357,588 Shares are in issue and credited as fully paid. Upon the proposed Share Consolidation becoming effective and based on the issued share capital as at the Latest Practicable Date, the issued share capital of the Company will be consolidated into 485,235,758 Consolidated Shares of nominal value of HK\$1.0 each.

Upon the proposed Capital Reduction becoming effective, the nominal value of all the issued Consolidated Shares will be reduced from HK\$1.0 each to HK\$0.01 each by cancelling paid-up capital to the extent of HK\$0.99 on each Consolidated Share in issue. Upon completion of the Share Consolidation and the Capital Reduction, the issued share capital of the Company will be reduced from HK\$485,235,758.00 to HK\$4,852,357.58 divided into 485,235,758 Adjusted Shares of nominal value of HK\$0.01 each.

Any fractional Consolidated Share to which an individual Shareholder is entitled to will not be issued by the Company to such Shareholders, but will be aggregated, sold and retained for the benefit of the Company. Any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation will be cancelled. The resulting Adjusted Shares of nominal value of HK\$0.01 each will rank pari passu in all respects with each other in accordance with the Bye-Laws.

Assuming no further Share will be issued or repurchased between the Latest Practicable Date and the date on which the Capital Reorganisation becomes effective, a credit of approximately HK\$480,383,400.42 will arise as a result of the Capital Reduction.

As at 31 December 2014, based on the audited financial statements of the Company, the audited amount standing to the credit of the Share Premium Account was approximately HK\$4,181,798,000, the amount standing to the credit of the Contributed Surplus Account was HK\$60,322,000, and the amount of accumulated losses of the Company was approximately HK\$4,757,965,000.

Other than the relevant expenses incurred, the implementation of the Capital Reorganisation will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Group or the interests of the Shareholders as a whole, save for any fractional Consolidated Shares (if any) to which the Shareholders would otherwise be entitled to. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Company and that on the date the Capital Reorganisation is to become effective, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. The Capital Reorganisation will not

## LETTER FROM THE BOARD

involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company, nor will it result in any change in the relative rights of the Shareholders.

### **Reasons for the Capital Reorganisation**

As at the Latest Practicable Date, the Shares are traded below the nominal value of HK\$0.1, which restricts the Company's ability to raise funds through issue of new Shares. The Capital Reorganisation will provide greater flexibility for equity fundraising of the Company in the future.

In addition, the credit arising from the Capital Reduction and the Share Premium Reduction will be transferred to the Contributed Surplus Account, which will be applied to set-off and reduce the accumulated losses of the Company. As a result of the Capital Reorganisation, the Company's share capital and reserves will more closely reflect the available net assets of the Company.

In view of the above, the Board therefore considers that the Capital Reorganisation is in the interests of the Company and the Shareholders as a whole.

### **Listing and Dealings**

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Adjusted Shares.

Subject to the granting of the listing of, and the permission to deal in, the Adjusted Shares on the Stock Exchange, the Adjusted Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Adjusted Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

### **Free Exchange of Share Certificates**

Subject to the Capital Reorganisation becoming effective, the Shareholders may submit certificates for the existing Shares to the Registrar during normal business hours from Thursday, 14 May 2015 to Tuesday, 23 June 2015 (both dates inclusive) to exchange for the new certificates of the Adjusted Shares at the expenses of the Company. Thereafter, certificates for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be allowed by the Stock Exchange) for each share certificate of the existing Shares submitted for cancellation or each new share certificate issued for the Adjusted Shares, whichever number of certificates cancelled or issued is higher. The existing certificates will be valid for trading and settlement up to 4:00 p.m. on Thursday, 18 June 2015 being the latest time and date for trading in board lot of 1,000 Adjusted Shares in the form of existing certificates (or such other date which will be announced by the

## LETTER FROM THE BOARD

Company) and will continue to be good evidence of legal title after the Capital Reorganisation has become effective and may be exchanged for certificates of the Adjusted Shares at any time in accordance with the foregoing.

### **Change in Board Lot Size**

The Shares are currently traded on the Stock Exchange in board lots of 10,000 Shares. The board lot size of the Adjusted Shares will be changed to 5,000 Adjusted Shares after the Capital Reorganisation becomes effective.

Based on the closing price of HK\$0.082 per Share as quoted on the Stock Exchange on the date of the Latest Practicable Date, the prevailing board lot value is HK\$820 in the board lot size of 10,000 Shares and, the new estimated board lot value would be approximately HK\$4,100 in the new board lot size of 5,000 Adjusted Shares. The Board believes that the reduced board lot size will facilitate the trading of the Adjusted Shares following the Capital Reorganisation. The change in board lot size will not affect any of the Shareholders' rights.

Subject to the Capital Reorganisation becoming effective, as from Thursday, 14 May 2015 (or such other date which will be announced by the Company) any new share certificates will be issued in board lots of 5,000 Adjusted Shares each (except for odd lots or where the Registrar is otherwise instructed). The expected timetable for such change in board lot size is set out in the section headed "Expected Timetable" of this circular.

The Shareholders may submit their existing share certificates in board lots of 10,000 Shares each to the Registrar in exchange for new share certificates in board lots of 5,000 Adjusted Shares each free of charge.

### **Arrangements for Trading of Odd Lots**

In order to facilitate the trading of odd lots (if any) of the Adjusted Shares arising from the Capital Reorganisation and the change in board lot size, the Company has appointed Guotai Junan Securities (Hong Kong) Limited as an agent to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Adjusted Shares to make up a full board lot, or to dispose of their holding of odd lots of the Adjusted Shares at the relevant market price per Adjusted Share for the period from Friday, 29 May 2015, to Thursday, 18 June 2015 (both dates inclusive).

Shareholders who wish to take advantage of this facility should contact Mr. Simon Lou of Guotai Junan Securities (Hong Kong) Limited at 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong or at telephone number (852) 2509 7722 during office hours from 9:00 a.m. to 6:00 p.m.

Holders of odd lots of the Adjusted Shares should note that successful matching of the sale and purchase of odd lots of the Adjusted Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

## LETTER FROM THE BOARD

### Adjustments Relating to Share Options, Warrants and Convertible Notes

As at the Latest Practicable Date, the Company had (i) outstanding Share Options which entitle the holders thereof to subscribe for 1,204,000,000 Shares; (ii) outstanding Warrants which entitle the holders thereof to subscribe for 625,000,000 Shares; and (iii) outstanding Convertible Notes of aggregate principal amount of HK\$60,000,000.

As a result of the Capital Reorganisation, there may be certain adjustments to the exercise prices of Share Options and Warrants, and the conversion price of the Convertible Notes pursuant to the relevant terms of the Share Option Scheme and the Convertible Notes, respectively. Pursuant to the terms of the Share Option Scheme, the Warrants and the Convertible Notes, the final results of adjustments (if any) to the subscription prices of the Share Options, Warrants and the conversion price of the Convertible Notes, respectively, are subject to certification by the auditors for the time being of or, where applicable, an investment or merchant bank of repute. Further details of final results of the adjustments (if any) to the exercise prices of the Share Options, Warrants and the conversion price of the Convertible Notes will be disclosed by the Company in further announcement(s) as and when appropriate.

### B. 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 authorised to grant options to the Eligible Person(s). Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. 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. The existing Scheme Mandate Limit was refreshed at the annual general meeting held on 10 June 2014, which enabled the Directors to grant options to Eligible Persons under the Share Option Scheme to subscribe for up to 485,235,758 Shares, representing 10% of the Shares in issue as at 10 June 2014. The movements of the Share Options granted under the existing Scheme Mandate Limit are as follows:

	<b>Number of share options</b>
Existing Scheme Mandate Limit as at 10 June 2014	485,235,758
Share Options granted under the existing Scheme Mandate Limit	<u>(470,000,000)</u>
Unused limit as at the Latest Practicable Date	<u>15,235,758</u>

Of the 470,000,000 share options granted on 14 July 2014 as listed above, none has been exercised, cancelled or lapsed and the 470,000,000 share options remained outstanding as at the Latest Practicable Date.

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 number of issued shares of the Company as at the date of the approval. Share Options previously granted under the Share

## LETTER FROM THE BOARD

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.

As at the Latest Practicable Date, there were 1,204,000,000 outstanding Share Options. As a result of the Open Offer, it is expected that there will be adjustments to the exercise price of the outstanding Share Options and the number of shares to which such Share Options relate, and that the adjusted number of shares that may fall to be issued upon exercise of the outstanding Share Options will exceed the existing Scheme Mandate Limit. In this connection, the Directors propose that the Scheme Mandate Limit be refreshed so as to cover the additional number of shares that may fall to be issued under the outstanding Share Options as a result of the adjustments triggered by the Open Offer. 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 refreshment of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole.

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. As at the Latest Practicable Date, on the basis of 4,852,357,588 Shares in issue, the 1,204,000,000 outstanding Share Options represented approximately 24.81% of the total issued shares, and the 30% overall limit represents a total of 1,455,707,276 Shares (or 145,570,727 Adjusted Shares upon the Capital Reorganisation becoming effective). As such, the Company will only be allowed to grant further Share Options for the subscription of a maximum of 251,707,276 Shares, representing approximately 5.19% of the total issued Shares. Accordingly, an ordinary resolution will be proposed at the SGM to approve the refreshment of the Scheme Mandate Limit of 5.10% of the total number of Shares in issue of the Company as at the date of passing such resolution (being 247,470,236 Shares or 24,747,023 Adjusted Shares upon the Capital Reorganisation becoming effective).

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of the necessary ordinary resolution by the Shareholders at the SGM to approve the proposed refreshment of the Scheme Mandate Limit; 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 the SGM.

## **LETTER FROM THE BOARD**

### **C. SPECIAL GENERAL MEETING**

A notice convening the SGM is set out on pages SGM-1 to SGM-3 of this circular, at which a special resolution will be proposed to approve the Capital Reorganisation, and an ordinary resolution will be proposed to approve the refreshment of Scheme Mandate Limit.

To the best of the Directors' knowledge, information and belief being made all reasonable enquires, no Shareholder is required to abstain from voting on the special resolution in respect of the Capital Reorganisation to be proposed at the SGM.

As the holders of the Share Options have a material interest in the refreshment of the Scheme Mandate Limit, they will abstain from voting on the ordinary resolution to refresh the Scheme Mandate Limit to be proposed at the SGM. As at the Latest Practicable Date, Tse Kwok Fai, Sammy, an executive Director and the Chief Executive Officer, held outstanding Share Options and was interested in 2,200,000 Shares, representing 0.05% of Shares in issue. So far as the Directors are aware, as at the Latest Practicable Date, no other Shareholder will be required to abstain from voting under the Listing Rules in respect of the resolutions to be proposed at the SGM.

A form of proxy for use by the Shareholders at the SGM is enclosed. Whether you are able to attend the SGM 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 registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM 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 SGM or any adjournment thereof (as the case may be) should you so wish.

### **D. 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 save for purely procedural or administrative matters.

### **E. 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 Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

<b>LETTER FROM THE BOARD</b>
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**F. RECOMMENDATION**

The Directors (including the independent non-executive Directors) consider that each of the Capital Reorganisation and the refreshment of the Scheme Mandate Limit is in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of the resolutions set out in the notice of SGM.

Yours faithfully  
For and on behalf of the Board  
**EPI (Holdings) Limited**  
**Tse Kwok Fai, Sammy**  
*Executive Director & CEO*

## NOTICE OF SPECIAL GENERAL MEETING



*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 689)**

## NOTICE OF SPECIAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a special general meeting (the “**SGM**”) of EPI (Holdings) Limited (the “**Company**”) will be held at the Zenith & Applause Meeting Room, Regus Business Centre, 35/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong on Wednesday, 13 May 2015 at 10:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company:

### **SPECIAL RESOLUTION**

“**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Adjusted Shares (as defined below) arising from the Capital Reorganisation (as defined below), with effect from the first business day immediately following the date on which this resolution is passed:

- (a) every ten (10) issued shares of HK\$0.10 each in the existing share capital of the Company be consolidated (“**Share Consolidation**”) into one (1) share of HK\$1.0 each (“**Consolidated Shares**”);
- (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share consolidation;
- (c) the par value of each of the then issued Consolidated Shares be and is hereby reduced from HK\$1.00 each to HK\$0.01 each (“**Adjusted Shares**”) by cancelling the capital paid up thereon to the extent of HK\$0.99 on each of the then issued Consolidated Shares, such that the par value of each issued Consolidated Share be reduced from HK\$1.00 to HK\$0.01 (together with sub-paragraph (b) above are hereinafter referred to as “**Capital Reduction**”);
- (d) each of the then authorised but unissued Shares of HK\$0.1 each be and is hereby sub-divided into ten (10) new shares of HK\$0.01 each (“**Share Subdivision**”);
- (e) the entire amount standing to the credit of the share premium account of the Company as at the date of passing this resolution be cancelled (the “**Share Premium Reduction**”);

\* for identification purpose only

## NOTICE OF SPECIAL GENERAL MEETING

- (f) the credits arising from the Capital Reduction and the Share Premium Reduction be transferred to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (“**Contributed Surplus Account**”) and the directors of the Company (“**Directors**”) be and are hereby authorised to use the amount then standing to the credit of the Contributed Surplus Account in any manner as may be permitted under the bye-laws of the Company and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company which may arise from time to time and/or paying dividend and/or making any other distribution out of the Contributed Surplus Account from time to time without further authorisation from the shareholders of the Company and all such actions in relation thereto be approved, ratified and confirmed; and
- (g) the Directors be and are hereby authorised to do all such acts and things as they may consider necessary or expedient to give effect to the Share Consolidation, the Capital Reduction, the Share Subdivision, the Share Premium Reduction and application of credit arising from the Capital Reduction and Share Premium Reduction (together, the “**Capital Reorganisation**”).”

### ORDINARY RESOLUTION

“**THAT** the existing scheme mandate limit in respect of the granting of share options under the share option scheme of the Company adopted on 6 November 2006 be refreshed provided that the total number of ordinary 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 scheme of the Company shall not exceed 5.10% of the ordinary shares of the Company in issue on the date of passing of this resolution (subject to adjustments on share consolidation or subdivision).”

Yours faithfully  
On behalf of the Board  
**EPI (Holdings) Limited**  
**Tse Kwok Fai, Sammy**  
*Executive Director & CEO*

Hong Kong, 20 April 2015

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

*Principal place of business  
in Hong Kong:*  
Room 1108–1109, 11/F  
Harbour Centre  
25 Harbour Road  
Wanchai, Hong Kong

## NOTICE OF SPECIAL GENERAL MEETING

*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 hereof.
- (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 registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's 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.

*As at the date of this notice, the Board comprises:*

*Non-executive Chairman:*

Mr. Ho King Fung, Eric

*Executive Directors:*

Mr. Tse Kwok Fai, Sammy (*Chief Executive Officer*)

Mr. Chan Chi Hung, Anthony

*Independent non-executive Directors:*

Mr. Qian Zhi Hui

Mr. Teoh Chun Ming

Mr. Zhu Tiansheng