

[For immediate release]

EPI Announces 2009 Interim Results

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Profit Attributable to the Shareholders Surged 283% to HK\$78.7 million Mainly Due to Gain from Disposal of Vision Tech and Gain on Fair Value Changes on Listed Securities

(Hong Kong, 16 August 2009) – EPI (Holdings) Limited (“EPI” or the “Group”, SEHK: 689) today announced its interim results for the six months ended 30 June 2009.

In the first six months of 2009, the Group’s turnover was HK\$466 million (FY20081H: HK\$1,368 million) with gross profit amounted to HK\$15.8 million (FY20081H: HK\$90.6 million). Profit for the period attributable to the owners of the Group surged 283% to reach HK\$78.7 million (FY20081H; HK\$20.5 million).

The Group’s turnover and gross profit was affected since it was forced to slow down business activities during the review period as the market was yet to recover from the impacts of the financial meltdown. Notwithstanding the shrunken sales volume, the substantial increase in the profit attributable to the owners of the Group was mainly due to the HK\$16.6 million gain from disposal of the subsidiary Vision Tech International Holdings Limited (SEHK: 922), and HK\$63.9 million gain on fair value changes on listed securities taken to the profit and loss during the review period.

Business Review

The *Scrap Metals Sourcing and Trading* business recorded revenue of HK\$332 million during the review period, with gross profit of HK\$17.8 million and gross profit margin at 5.35%. As sourcing of scrap copper remained difficult during the review period, in order to maintain the segment’s profitability, the Group’s sourcing team has expanded the scope of sourcing products from scrap copper to copper cathodes and scrap aluminum that offered higher margins under the Group’s cost plus approach. Subsequently, zinc and nickel were also added to the product mix which helped braced the overall profit margin of the Group.

Turnover of the *Copper Anode Production* operation reached HK\$125 million with a HK\$411,000 segment profit. The joint venture company Qingyuan JCCL EPI Copper Limited (“Qingyuan JCCL EPI”) has streamlined its operations and applied stringent cost control measures to reduce spending at all management and operational levels. It sold scrap copper directly to Jiangxi Copper Company Limited (SEHK: 358) and cut production of copper anodes in the review period.

Revenue from the **Consumer Electronic Business** during the review period was HK\$45.6 million, with gross profit amounted to 2.0 million and gross profit margin improved from 3.04% to 4.4%. The Group sold DVD Combos and home theatres to the USA and Latin America. The financial and economic downturn in these countries has led to a substantial decrease in turnover from the said products. Despite the decrease in business volume, gross profit margin improved thanks to the effort of the Group in providing services that serve customers' needs.

Prospects

Looking ahead, the core business of EPI will continue to face challenges in the second half of the year. The Group thus has been actively looking for business opportunities which may bring dynamic growth to the Group.

On 29 July 2009, the Group entered into a heads of agreement with a potential vendor in relation to the possible acquisition of a company which has a 51% operating interests in an oilfield in Argentina. The consideration for the possible acquisition would be approximately HK\$3.3 billion and the acquisition is subject to the signing of a formal agreement for sale and purchase. The Directors see it to be a good opportunity for the Group to diversify its business into the resources industry and in turn maximize the value of the Company for the Shareholders.

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About EPI (Holdings) Limited (Stock code: 689HK)

EPI is a high growth company that focuses on the non-ferrous metals and resource sector, with a business scope covering mining and resource investment, scrap metals sourcing and base metal trading, copper anode production. Through strategic mergers and acquisitions, the Group is accelerating its growth by providing Chinese state-owned enterprises with high quality services that add value to their operations and enterprise value. The Group also operates an OEM/ODM consumer electronics business supplying customers in the USA, Europe and Latin America. EPI's mission is to achieve sustainable and high returns for its shareholders and to become a major player in non-ferrous metals and resources in Asia.

For press enquiries:

Strategic Financial Relations Limited

Heidi So	(852) 2864 4826	heidi.so@sprg.com.hk
Maggie Au	(852) 2864 4815	maggie.au@sprg.com.hk
Cornia Chui	(852) 2864 4853	cornia.chui@sprg.com.hk
Linda Pui	(852) 2864 4873	linda.pui@sprg.com.hk

Fax: (852) 25271196 / 21119080 / Website: www.sprg.com.hk