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(Incorporated in Bermuda with limited liability)

(Stock Code: 689)

**PLACING OF EXISTING SHARES,
TOP-UP SUBSCRIPTION OF NEW SHARES
AND
RESUMPTION OF TRADING**

Placing Agent



THE TOP-UP PLACING AND SUBSCRIPTION

On 15 April, 2010, the Vendors, the Company and the Placing Agent entered into the Top-up Placing and Subscription Agreement pursuant to which the Vendors agreed to place, through the Placing Agent on a best effort basis, up to an aggregate of 1,390,000,000 existing Shares, to not fewer than six Placees who and whose ultimate beneficial owners are to be parties independent of the Company and not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules) and shall be independent of, and not acting in concert with, the Vendors and their respective concert parties, at a price of not less than HK\$0.183 per Top-up Placing Share. Pursuant to the Top-up Placing and Subscription Agreement, the Vendors have conditionally agreed to subscribe for such number of Top-up Subscription Shares equal to the number of Top-up Placing Shares which will actually be placed under the Top-up Placing at a price equal to the price per Top-up Placing Share.

The Top-up Placing Price (or the Top-up Subscription Price) of HK\$0.183 represents a discount of approximately 15% to the closing price of HK\$0.215 per Share as at the Last Trading Day, which is the higher of (i) the closing price of HK\$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of approximately HK\$0.186 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the Last Trading Day.

The maximum number of 1,390,000,000 Top-up Placing Shares (or the maximum number of 1,390,000,000 Top-up Subscription Shares) represent (i) approximately 17.51% of the existing issued share capital of the Company of 7,937,514,423 Shares as at the date of this announcement; and (ii) approximately 14.90% of the issued share capital of the Company of 9,327,514,423 Shares as enlarged by the Top-up Subscription.

The Top-up Subscription is conditional upon, amongst other things, (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Top-up Subscription Shares; and (ii) completion of the Top-up Placing.

The gross proceeds from the Top-up Subscription will be approximately HK\$254 million. The net proceeds of approximately HK\$244 million from the Top-up Subscription are intended to be used for general working capital of the Group including financing the Mendoza project as disclosed in the circular of the Company dated 8 October 2009.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was suspended from 9:30 a.m. on 15 April 2010 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 16 April 2010.

THE TOP-UP PLACING AND SUBSCRIPTION AGREEMENT

Date

15 April, 2010

Parties involved

The Vendors, the Company and the Placing Agent

THE TOP-UP PLACING

Parties involved

The Vendors and the Placing Agent

Placing Agent

The Placing Agent will receive a placing commission of 3.2% on the gross proceeds of the Top-up Placing Shares actually placed, which was arrived at after arm's length negotiations between the Company and the Placing Agent. The Placing Agent and its ultimate beneficial owners are parties independent of the Company and are not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules).

Placees

The Placing Agent has agreed to place the Top-up Placing Shares, on a best effort basis, to not fewer than six Placees who and whose ultimate beneficial owners are to be parties independent of the Company and not connected persons (as defined in the Listing Rules) of the Company and its connected persons, (as defined in the Listing Rules) and shall be independent of, and not acting in concert with, the Vendors and their respective concert parties. No individual Placee is expected to become a substantial Shareholder (as defined under the Listing Rules) immediately after completion of the Top-up Placing.

Top-up Placing Price

The Top-up Placing Price (or the Top-up Subscription Price) of not less than HK\$0.183 represents a discount of approximately 15% to the closing price of HK\$0.215 per Share as at the Last Trading Day, which is the higher of (i) the closing price of HK\$0.215 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of approximately HK\$0.186 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the Last Trading Day.

The Top-up Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Top-up Placing are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Number of the Top-up Placing Shares

The maximum number of 1,390,000,000 Top-up Placing Shares (or the maximum number of 1,390,000,000 Top-up Subscription Shares) represent (i) approximately 17.51% of the existing issued share capital of the Company of 7,937,514,423 Shares as at the date of this announcement; and (ii) approximately 14.90% of the issued share capital of the Company of 9,327,514,423 Shares as enlarged by the Top-up Subscription.

Ranking of Top-up Placing Shares

The Top-up Placing Shares rank pari passu among themselves and with Shares in issue as at the date of this announcement.

Conditions of the Top-up Placing

The Top-up Placing is unconditional.

Completion

The Top-up Placing is expected to be completed on or before 21 April, 2010.

THE TOP-UP SUBSCRIPTION

Parties involved

The Company and the Vendors

The Top-up Subscription Price

The Top-up Subscription Price shall be the same as the Top-up Placing Price and was determined after arm's length negotiation between the Company and the Vendors with reference to the Top-up Placing Price.

Number of Top-up Subscription Shares

The number of Top-up Subscription Shares is equivalent to the number of Top-up Placing Shares actually placed, being a maximum of 1,390,000,000 Top-up Subscription Shares. The maximum aggregate nominal value of the Top-up Subscription Shares will be HK\$13,900,000.

Ranking of Top-up Subscription Shares

The Top-up Subscription Shares, when allotted and issued, will rank pari passu among themselves and with the Shares in issue at the time of issue and allotment of the Top-up Subscription Shares.

The Top-up Subscription Shares

The Top-up Subscription Shares are to be allotted and issued under the Refreshed General Mandate. The total number of issued Shares as at the date of the SGM was 6,952,148,570 Shares. Pursuant to the Refreshed General Mandate, the total number of new Shares that the Board is authorised to allot and issue are 1,390,429,714 Shares (being 20% of the then issued share capital of the Company). Since the date of the SGM and up to the date of this announcement, no Shares have been allotted and issued by the Company under the Refreshed General Mandate.

Conditions of the Top-up Subscription

The Top-up Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Top-up Subscription Shares;
- (ii) completion of the Top-up Placing; and
- (iii) the Bermuda Monetary Authority approving or agreeing to the allotment and issue of the Top-up Subscription Shares (if any).

Completion

Under Rule 14A.31(3)(d) of the Listing Rules, the Top-up Subscription must be completed within 14 days after the date of the Top-up Placing and Subscription Agreement, that is, on or before 29 April, 2010.

In the event that the conditions to the Top-up Subscription are not fulfilled by 29 April, 2010, the Company and the Vendors may elect to terminate the Top-up Subscription or, subject to compliance with all requirements in relation to connected transactions under the Listing Rules (including the approval by the independent Shareholders of the Company in accordance with the Listing Rules), to postpone completion of the Top-up Subscription to a later date to be agreed between the Company and the Vendors.

Restriction on new issue of Shares

Under the Top-up Placing and Subscription Agreement, the Company has agreed not to issue or enter into any arrangement or agreement for the issue of any new Shares for a period of three months from the completion of the Top-up Placing, except the Top-up Subscription Shares.

REASON FOR THE TOP-UP PLACING AND SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in the sale of oil and gas, sourcing and trading of non-ferrous metals and consumer electronics products.

The Directors considered various ways of raising funds and believe that the Top-up Placing and the Top-up Subscription represent an opportunity to raise capital for the Company while broadening the Shareholders base and capital base of the Company. Accordingly, the Directors consider the Top-up Placing and Subscription Agreement is in the interest of the Company and the Shareholders as a whole.

The gross proceeds from the Top-up Subscription will be approximately HK\$254 million. The net proceeds of approximately HK\$244 million from the Top-up Subscription are intended to be used for general working capital of the Group including financing the Mendoza project as disclosed in the circular of the Company dated 8 October 2009.

The net price raised upon completion of the Top-up Subscription will be approximately HK\$0.17 per Share.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Set out below is the equity fund-raising activity of the Company in the past 12 months immediately preceding the date of this announcement.

| Date of initial announcement | Nature of transaction | Net proceeds | Intended use of net proceeds announced | Actual use of net proceeds |
|------------------------------|---------------------------------|---------------------------------|--|----------------------------|
| 14 October 2009 | Top-up Placing and Subscription | Approximately HK\$177.5 million | For general working capital and future business development of the Group | Used as intended |

EFFECTS ON SHAREHOLDING STRUCTURE

| | As at the date of this announcement | | Immediately after completion of the Top-up Placing but before the Top-up Subscription (assuming the Top-up Placing Shares were placed in full) | | Immediately after completion of the Top-up Placing and the Top-up Subscription (assuming the Top-up Subscription Shares were subscribed in full) | |
|--|-------------------------------------|---------------------------------|--|---------------------------------|--|---------------------------------|
| | Number of Shares | Approximately % of shareholding | Number of Shares | Approximately % of shareholding | Number of Shares | Approximately % of shareholding |
| Climax Associates Limited (Note 1) | 1,208,146,000 | 15.22 | 18,146,000 | 0.23 | 1,208,146,000 | 12.95 |
| Rich Concept Worldwide Limited (Note 2) | 3,331,277 | 0.04 | 3,331,277 | 0.04 | 3,331,277 | 0.03 |
| Wong Chi Wing Joseph | 9,000,000 | 0.11 | 9,000,000 | 0.11 | 9,000,000 | 0.10 |
| Chu Kwok Chi Robert | 3,306,383 | 0.04 | 3,306,383 | 0.04 | 3,306,383 | 0.04 |
| Climax together with parties acting in concert with it | 1,223,783,660 | 15.41 | 33,783,660 | 0.42 | 1,223,783,660 | 13.12 |
| City Smart International Investment Limited | 534,068,568 | 6.73 | 334,068,568 | 4.21 | 534,068,568 | 5.73 |
| TCL Peak Winner Limited | 1,171,219,512 | 14.76 | 1,171,219,512 | 14.76 | 1,171,219,512 | 12.56 |
| Poon Kwok Shin, Edmond (Note 3) | 2,000,000 | 0.03 | 2,000,000 | 0.03 | 2,000,000 | 0.02 |
| Placees | – | – | 1,390,000,000 | 17.51 | 1,390,000,000 | 14.90 |
| Public Shareholders | 5,006,442,683 | 63.07 | 5,006,442,683 | 63.07 | 5,006,442,683 | 53.67 |
| | <u>7,937,514,423</u> | <u>100.00</u> | <u>7,937,514,423</u> | <u>100.00</u> | <u>9,327,514,423</u> | <u>100.00</u> |

Notes:

- (1) Climax Associates Limited is owned as to 71.83% by Rich Concept Worldwide Limited (a company beneficially wholly-owned by Mr. Wong Chi Wing Joseph, the Chairman of the Company) and 28.17% by Mr. Chu Kwok Chi Robert, an executive Director of the Company.
- (2) Rich Concept Worldwide Limited is a company beneficially wholly-owned by Mr. Wong Chi Wing Joseph, the Chairman of the Company.
- (3) Mr. Poon Kwok Shin, Edmond is an independent non-executive Director.

GENERAL

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Top-up Subscription Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was suspended from 9:30 a.m. on 15 April 2010 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in Shares on the Stock Exchange with effect from 9:30 a.m. on 16 April 2010.

TERMS AND DEFINITIONS

| | |
|--------------------|---|
| “Board” | the board of Directors |
| “City Smart” | City Smart International Investment Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by Mr. Wu Shaozhang |
| “Climax” | Climax Associates Limited, a company incorporated in the British Virgin Islands with limited liability and is 71.83% owned by Rich Concept Worldwide Limited, a company wholly owned by Mr. Wong Chi Wing, Joseph, a Director and 28.17% by Mr. Chu Kwok Chi Robert, a Director |
| “Company” | EPI (Holdings) Limited, a company incorporated in Bermuda and the issued shares of which are listed on the Main Board of the Stock Exchange |
| “Director(s)” | director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | Hong Kong Special Administrative Region of the People’s Republic of China |
| “Last Trading Day” | 14 April 2010, being the last trading day for the Shares before the date of this announcement |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |

| | |
|---|--|
| “Placee(s)” | any professional, institutional or other investor(s) procured by the Placing Agent to subscribe for any of the Top-up Placing Shares pursuant to the Placing Agent’s obligations under the Top-up Placing and Subscription Agreement |
| “Placing Agent” | Sun Hung Kai Investment Services Limited, a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Refreshed General Mandate” | the refreshed mandate granted to the Directors by the Shareholders at the SGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the SGM |
| “SGM” | the special general meeting of the Company held on 3 December 2009 |
| “Shareholder(s)” | the holder(s) of Share(s) |
| “Share(s)” | the ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Top-up Placing” | the private placing of the Top-up Placing Shares by the Placing Agent pursuant to the terms of the Top-up Placing and Subscription Agreement |
| “Top-up Placing and Subscription Agreement” | the agreement dated 15 April 2010 entered into between the Vendors, the Company and the Placing Agent in relation to the Top-up Placing and the Top-up Subscription |
| “Top-up Placing Price” | not less than HK\$0.183 per Top-up Placing Share |
| “Top-up Placing Share(s)” | a maximum of 1,390,000,000 Shares to be placed by Climax as to 1,190,000,000 Shares and City Smart as to 200,000,000 Shares pursuant to the Top-up Placing and Subscription Agreement |
| “Top-up Subscription” | the subscription of Top-up Subscription Shares by the Vendors pursuant to the terms of the Top-up Placing and Subscription Agreement |
| “Top-up Subscription Price” | the price per Top-up Subscription Share which is equal to the Top-up Placing Price |

“Top-up Subscription Share(s)” a maximum of 1,390,000,000 new Shares to be subscribed by Climax as to 1,190,000,000 Shares and City Smart as to 200,000,000 Shares pursuant to the Top-up Placing and Subscription Agreement

“Vendors” collectively Climax and City Smart

“HK\$” Hong Kong dollar(s), the lawful currency of Hong Kong

“%” per cent.

By order of the Board
EPI (Holdings) Limited
Wong Chi Wing, Joseph
Chairman

Hong Kong, 15 April, 2010

As at the date of this announcement, the Board comprises of three executive Directors, namely Mr. Wong Chi Wing, Joseph, Mr. Chu Kwok Chi, Robert and Mr. Zhou Jacky, one non-executive Director, namely Mr. Leung Hon Chuen and three independent non-executive Directors, namely, Mr. Zhu Tiansheng, Mr. Qian Zhi Hui and Mr. Poon Kwok Shin, Edmond.

* *for identification purpose only*