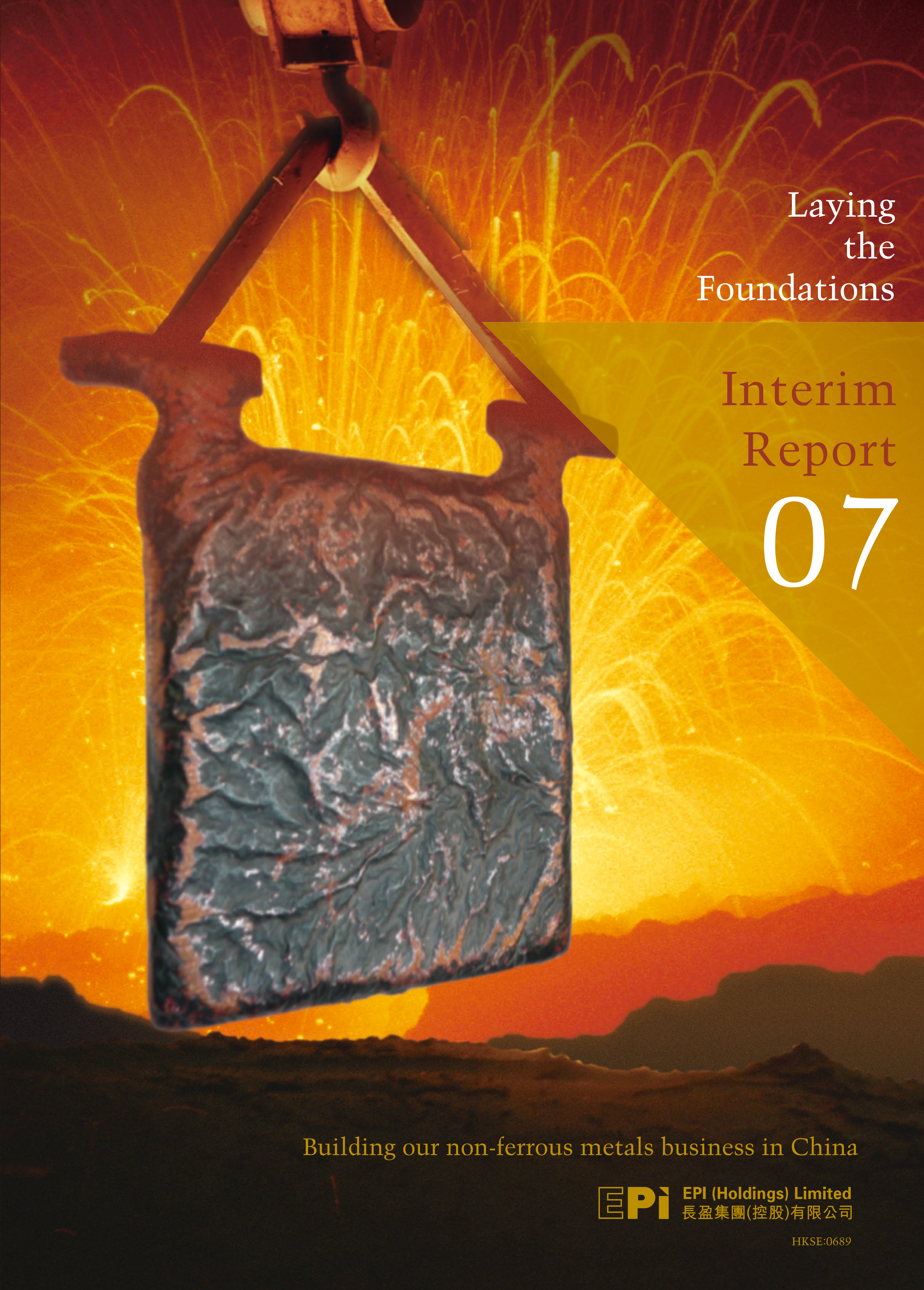


Laying the Foundations

Interim Report 07

Building our non-ferrous metals business in China

EPI (Holdings) Limited
長盈集團(控股)有限公司

HKSE:0689

Contents

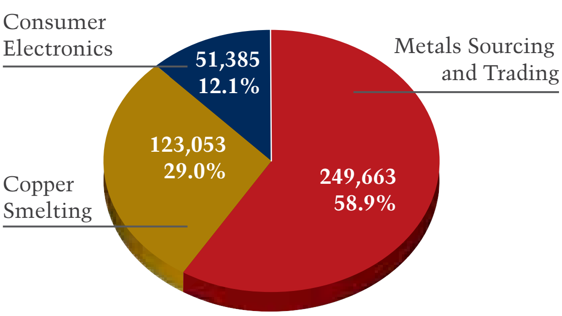
Financial Highlights – Half Year Ended 30 June 2007

	For the six months ended 30 Jun 2007 (Unaudited)	2006 (Unaudited)
	HK$'000	HK$'000
Turnover	**424,101**	190,613
Cost of goods sold	**(373,289)**	(185,559)
Gross Profit	**50,812**	5,054
Other income	**4,469**	–
Selling and marketing costs	**(9,237)**	(116)
Administration expenses	**(18,545)**	(3,636)
Operating Profit	**27,499**	1,302
Finance costs	**(460)**	(15)
Profit before income tax	**27,039**	1,287
Income tax expense	**(3,602)**	(212)
Net profit attributable to shareholders	**23,437**	1,075

	As at 30 Jun 2007 (Unaudited)	As at 31 Dec 2006 (Audited)
	HK$'000	HK$'000
Total assets	**949,910**	283,518
Total borrowings	**196,559**	17,870
Shareholders' funds	**753,351**	265,648
Net cash	**557,772**	191,344
Number of shares in issue	**4,159,452,570**	3,608,212,570
Shareholders' fund per share (Hong Kong dollars)	**0.18**	0.07
Net cash per share (Hong Kong dollars)	**0.13**	0.05

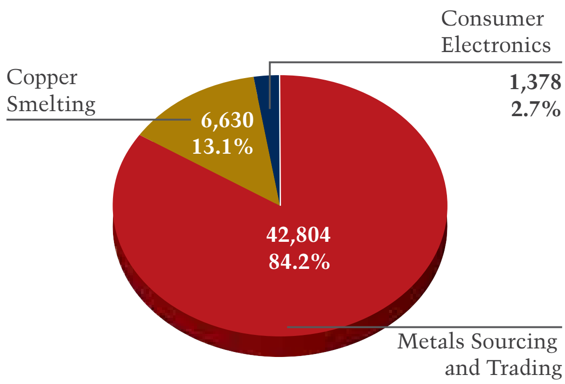
TURNOVER BY BUSINESS SEGMENT

HK$'000



GROSS PROFIT BY BUSINESS SEGMENT

HK$'000



Milestone

22 Sep 2006	Change of name from Greatwall Cybertech to EPI (Holdings) Limited – signifying an "ever profitable" and continuously growing Group
26 Sep 2006	Resumption of trading in shares on the Stock Exchange of Hong Kong
26 Nov 2006	Established Qingyuan JCCL EPI Copper Limited ("Qingyuan JCCL EPI"), a joint venture partnership with Jiangxi Copper in copper smelting
5 Dec 2006	Raised HK$172 million via the placement of 605 million shares to institutional investors at HK$0.295/ share
13 Feb 2007	Established Guangzhou (Foshan) Metals Company Limited with China's third largest asset management company in Guangdong to engage in metal warehousing and financing business in Nanhai
Apr 2007	Acquired a smelting plant in Qingyuan through Qingyuan JCCL EPI Copper Limited
22 May 2007	Signed Framework Agreement to form JVCO with China's fourth largest SOE copper leader Daye Non ferrous Metals Company to invest in 4 mines company in Hubei, China
6 June 2007	Official opening and full operations of Qingyuan smelting plant
14 June 2007	Raised total amount of HK$463.03 million of which HK$451.92 million is from shares and HK$11.11 million is from warrants via top up subscription placement of 573.54million shares to institutional investors at HK$0.81/share and 143.38 million warrants at HK$0.08 warrant price with exercise price at $0.94/ share for 365 days

江铜长盈
Jiangxi Copper EPI

Chairman's Statement

We have delivered immediate results in the first half of 2007, partnering with the leading Chinese state-owned enterprises in non-ferrous metals, to establish sourcing and smelting operations in less than eight months of operations. As a result, the Group achieved a net profit of HK$23.4 million on revenues of HK$424 million and the Board is recommending a dividend of HK0.25 cents per share.

Our strategy was to ensure that our core global sourcing and smelting businesses entered full operation in the shortest possible time and generated immediate profit and cashflow. The momentum achieved will carry into the second half of the year, to be joined by direct investment in mining assets, metals financing and logistics, which will contribute to the Group in 2008. As we expand, we will continue to focus on adding value to our Chinese partners, helping them to resolve their immediate concerns and complementing their businesses.

NON-FERROUS METALS

The global sourcing team was the main contributor for the first half of 2007 and despite the volatility in copper and non-ferrous metal scrap prices, our close attention to risk management enabled us to achieve our targeted profit margin.

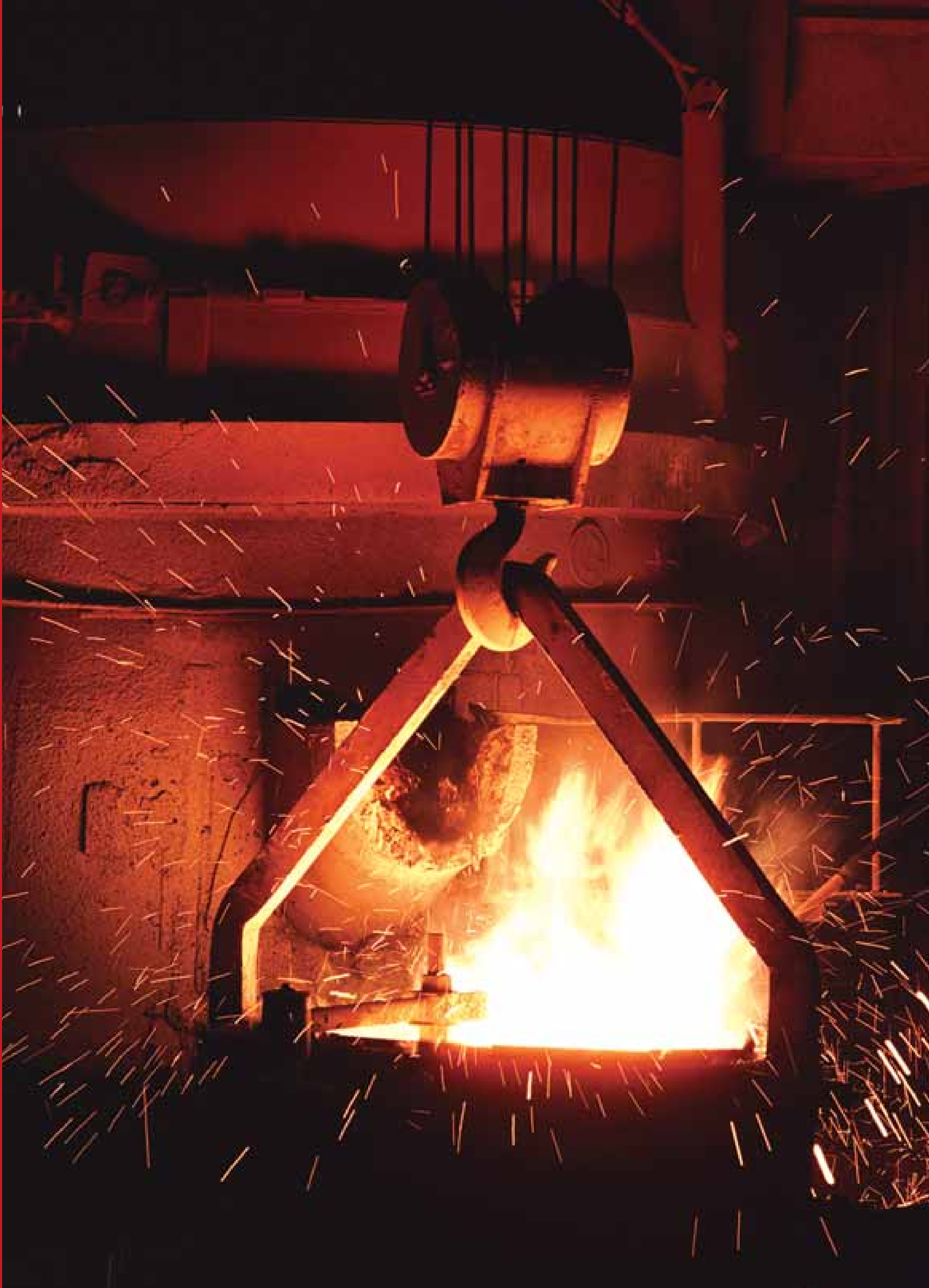
The opening of the Qingyuan smelting plant, under our joint venture with Jiangxi Copper, Qingyuan JCCL EPI, marked a major success for the Group. Bringing its two smelting furnaces into operation in June, a mere seven months after the joint venture's establishment, is an extraordinary achievement. It testifies to our ability to execute on our business model and combine our partner's leading position in China's copper industry.

We have signed a Framework Agreement with China's fourth largest copper leader Chinese state-owned enterprises, Daye Non Ferrous Metals Company (Daye) for a stake in four mines in China's Hubei province. Once completed, this investment will yield substantial returns, with the potential for a public listing.

We have also taken steps towards establishing metals logistics and financing business through signing a joint venture with Guangdong Guanghong International Trade (Group) Limited, Guangzhou (Foshan) Metals Co. Ltd (GUANGFO). We are now building the operational infrastructure of the joint venture, whose services will benefit the thousands of SMEs in the Pearl River Delta area.

CONSUMER ELECTRONICS

We continue our conservative approach to our consumer electronic business, while building deeper relationships with our long-term clients.



Chairman's Statement

OUTLOOK

A priority during the second half of the year will be to finalise the Daye investment. Investments in such mining assets offer tremendous upside and our relationships with the major Chinese state-owned enterprises will give us access to many more opportunities that can be developed quickly.

Our relationship with Jiangxi Copper is excellent and has deepened as the complementary nature of our businesses achieves visible results. We will seek every opportunity to develop this partnership through more projects. During the second half of the year Qingyuan JCCL EPI will aim to double capacity to 200,000 metric tons by early 2008. We will also set up a joint scrap copper financing business that will ensure a constant supply of scrap copper and offer stable and profitable margins, at the same time, our joint venture company will also act as a sourcing and trading partner for Jiangxi Copper to supply them with no. 2 scrap copper in the fourth quarter of this year. We are expecting to secure a 50,000 metric tons additional order of no.2 scrap copper from Jinngxi Copper in the next 6 months. We foresee both additional business and closer ties with Jiangxi Copper which will add to Group revenue from 2008 onward.

Our global sourcing business will expand further globally and trade across a wider range of non-ferrous metals. In July this year, we began to expand our sourcing scrap copper to aluminium and brass. We are expecting to have an annual turnover of over 30,000 metric tons. We will open an office in Europe during the second half of the year.

In addition to furthering negotiations with Daye, we are in advanced discussions with other parties on investments in a gold mine and an iron mine, and expect to announce at least one agreement before year end.

CONCLUSION

We have moved rapidly towards our goal of becoming the leading supplier of non-ferrous and scrap metals in China, through building a global supply chain network. China's rapid industrialisation, combined with its own limited resources of non-ferrous metals, will continue to create tremendous opportunities for the Group.

I would like to thank my fellow directors and the EPI staff for their very hard work during the past eight months, which has put us well on track, and to our shareholders for their support.

Joseph Wong
Chairman and CEO, EPI Holdings Limited

Hong Kong
18 September 2007


Anode casting machine in Qingyuan smelting plant

Management Discussion and Analysis

During the first half of 2007, the Group continued to lay the foundations for becoming the leading supplier of non-ferrous and scrap metals in China.

Through its efforts over the six months, the Group has been able to deliver on solidifying its business model as a fast growth company. In only six months of operations, the Group has generated profit and positive cash flows and has mapped out the deliverables required to achieve its goals.

REVIEW OF OPERATIONS

During the period, the Group's operations comprised its metals sourcing and trading business, the JCCL EPI (Qingyuan) Limited (Qingyuan JCCL EPI) copper smelting joint venture and its consumer electronics business.

Non-ferrous Metals Business

The Group's non-ferrous metals business saw rapid progress during the first half of 2007, with an encouraging contribution from metals sourcing and trading, the start of smelting operations and the signing of two more important agreements, the Guangzhou (Foshan) Metals Company Limited (GUANGFO) joint venture and the framework agreement with Daye Non Ferrous Metals Company (Daye).

The Market

The non-ferrous metals market in China remained strong, with consumption exceeding domestic supply. This led to the tighter supply of copper concentrate in global markets, where the Chinese smelters have less bargaining power than the global mining companies. Moreover, China suffers from over capacity in copper concentrate smelting. Given the imbalance in the market, the global mining companies were able to squeeze the Chinese smelters' treatment and refinery charges, resulting in higher copper concentrate costs and a decline in gross profit margins for the major Chinese copper enterprises.

In light of this situation, Chinese copper smelters have been actively looking for alternative supply, investing in copper and other non-ferrous metals mining assets to improve their mine reserves as well as procuring more recycled scrap copper and other non-ferrous metals from both domestic and overseas sources.

Metals Sourcing and Trading

Our global metal sourcing and trading team benefited from the China market situation, increasing its copper and other non-ferrous metals recycled scrap purchasing to meet the demand of our Chinese clients as well as our joint venture smelting business.

During the period, the Group mainly sourced copper scrap such as no. 2 copper (94%-96% copper) and brass (60%-65% copper) from the United States, Europe and Asia. In total, some 3,000 tons of copper was sourced for clients in China.

The overseas sourcing and trading team in Hong Kong was expanded to over ten staff, while a new sourcing office was established in Los Angeles in May. In China, the local sourcing and trading team based in Qingyuan expanded to a team of ten people.

Copper Smelting

Our 51% smelting joint venture with Jiangxi Copper Limited (Jiangxi Copper), Qingyuan JCCL EPI, achieved its goal of starting production in June, a mere seven months after the joint venture was established.

The exclusive 15-year joint venture had acquired an existing smelting plant on a 161,644 square metre block of land at Qingyuan in Guangdong province. Much works needed to be done to refurbish the plant, however, including the smelting equipment, before it could become operational. Over 26 high level engineers from Jiangxi Copper, together with teams of workers, worked around the clock and the plant was officially opened on 6 June 2007 in the presence of the President of Jiangxi Copper, high ranking government officials from Qingyuan and the Chairman and CEO of EPI Holdings.

The entire annual production of copper anode will be purchased by Jiangxi Copper at the prevailing market price and on general commercial terms.

Mining Investment

In May, EPI entered into a framework agreement with Daye Non Ferrous Metals Company (Daye) which would give the Group a 25% stake in a joint venture that would own four mines in China's Hubei province. The investment is valued at approximately RMB 500 million, subject to due diligence reports and the final joint venture agreement. Daye proposes to inject into the joint venture company its interests in three companies principally engaged in holding and operating mines in China, Feng Shan Co Limited, Xin Tai Co. Limited and Xin Ma Co. Limited, as well as its 66.46% interest in the large Tong Lu Shan Mine.

Daye is China's fourth largest non-ferrous metals company. Its mines have a current annual production of approximately 23,000 tons of copper, 1 ton of gold and 350,000 tons of iron, with estimated reserves of 787,374 tons of copper, 29,564 kilogrammes of gold, 455,726 kilogrammes of silver, 13,021 tons of molybdenum and 19,602 kilotons of iron ore.

Warehousing, Logistics and Financing

In February 2007, the Group took its first step towards establishing itself in metals warehousing, logistics and financing, with the signing of a second joint venture, Guangzhou (Foshan) Metals Company Limited (GUANGFO), with Foshan Nanhai Xinweifeng Trading Co. Ltd. and Guangdong Guanghong International Trade Group Co. Ltd. The total investment is estimated at RMB10 million (HK$10.4 million) and the Group will hold a 40% stake, with an option to increase its shareholding to 50% within a year from signature of the joint venture agreement.

Consumer Electronics Business

The Group's consumer electronics business arm, Innovision Enterprises Limited (Innovision) sells digital video disk (DVD) combos, home theatres and DVDs and CRT TV for the US, Latin America and European markets, outsourcing its production on an OEM and ODM basis to reliable manufacturers in China. The Group has been able to retain its long term clients which has maintained profit margin.

FINANCIAL REVIEW

Turnover and Gross Profit Margin

Total turnover of the Group for the six months ended 30 June 2007 reached HK$424 million, representing an increase of 122.5% over the same period of year 2006. The gross profit margin was 11.98%, up from 2.65% in the same period last year.

The metal sourcing and trading business was the main revenue driver. Sales at the metal sourcing and trading business for the period were HK$250 million, representing 58.9% of Group turnover. Gross profit margin was 17.1%. The Qingyuan JCCL EPI smelting joint venture began full operations in June and sales for the period were HK$123 million, contributing 29% to Group turnover. Gross profit margin was 5.4%. Sales at the consumer electronics business were HK$51 million, representing 12.1% of Group turnover, a decrease of 73% over the same period last year. Gross profit margin was 2.68%.

EBITDA and Net Profit

The Group's EBITDA (earnings before interest, taxation, depreciation and amortisation less bank interest income) for the period was HK$26.3 million, compared to HK$1.3 million in the same period last year. EBITDA margin rose strongly to 6.2% from 0.68% as a result of the successful diversification into non- ferrous metals business.

Net profit attributable to shareholders also increased sharply, rising by 2,080.2% to HK$23.4 million and net profit margin based on turnover improved from 0.56% to 5.53%.

Finance Costs

Finance costs of HK$0.46 million mainly comprised interest expenses on bank loans and overdraft repayable within one year. The increase in interest expense was mainly due to the increase in the utilisation of bank facilities for the production of copper anode business.

Liquidity and Financial Resources

In view of its expansion plans and of the good prospects for completion of the Daye joint venture, the Group decided to raise additional equity capital in the first half of 2007.

On 14 June the Company raised an aggregate net proceeds of HK$463.03 million, of which HK$451.92 million was in the form of shares and HK$11.11 million in the form of warrants, via a top up subscription placement of 573,540,000 shares to institutional investors at HK$0.81 per share than and 143,380,000 warrants at HK$0.08 warrant price with an exercise price at HK$0.94 per share for 365 days. The proceeds will be applied to the Daye investment and as working capital for the Group.

The Group has a strong cash position as at the period ended 30 June 2007 with cash and bank balances of HK$558 million on hand.

OUTLOOK

The Group expects to make further rapid progress in building its integrated non-ferrous metals business in China during the second half of the year. Although EPI will remain in an expansion phase, the addition of revenue generating operations offers very good prospects for growth in revenues and earnings.

Finalisation of the Daye mining investment will be a priority for the second half of the year. Once completed, this investment will give the Group access to immediate increases in revenue from the current metal production, as well as offering the prospect of further gains from a separate public listing.

The Group is now working hard with Daye's team on the due diligence process and is expected to complete the joint venture in the fourth quarter of this year or early 2008. Meanwhile, the Group will actively seek similar opportunities for mining investment in China.

Qingyuan JCCL EPI will bring its two smelting furnaces into full operation, which should contribute sizeable revenues in the second half of the year. The joint venture is bringing forward the construction of two further smelting furnaces to the third quarter of this year, which will double the capacity of the plant to 200,000 tons a year by 2008.

In light of the smooth start to operations at Qingyuan JCCL EPI and ever closer ties with Jiangxi Copper, its joint venture partner, the Group is to establish a scrap metal financing business with Jiangxi Copper in the second half of the year. This will provide a stable supply of locally sourced scrap copper for Qingyuan JCCL EPI and offer additional revenues and an attractive operating margin, which will contribute to both the joint venture and the Group.

The metals sourcing and trading business will continue to expand and benefit increasingly from the Group's other operations. Led by managers with over 20 years' experience in the recycled metal market, the operation is on track to deliver higher revenue in the second half of the year. The Group is exploring opportunities to open a third office in Europe and expanding its sourcing and trading products from scrap copper to aluminium and brass and expected to exceed an annual turnover of 30,000 metric tons.

On 18 May 2007, the Company entered into the Subscription Agreement with Vision Tech International Holdings Limited (Vision Tech) pursuant to which the Company has conditionally agreed to subscribe for 750,000,000 new shares at a price of HK$0.10 per new share in Vision Tech.

Completion of the Subscription Agreement is conditional upon a proposal for the resumption in trading of shares in Vision Tech on the Stock Exchange having been approved and accepted by the Stock Exchange to be viable and which is satisfactory and acceptable to EPI Holdings and other relevant parties.

To ensure that the Group's expansion is underpinned by solid systems and risk management, during the second half of the year the Group will implement an accounting, trading and management information system (MIS system), covering management resources, operations, risk management and human resources. This will bring greater efficiencies and management control, as well as allowing of global sourcing operations to benefit from working closely together on common data communication platforms.

Directors' and Chief Executive's Interests and Short Positions in Shares, Undelying Shares and Debentures

At 30 June 2007, the interests and short positions of the directors and chief executives in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules'), were as follows:

Director	Number of Shares				Approximate percentage of the issued share capital of the company
	Beneficial owner	Controlled corporation *(note 1)*	Equity derivatives *(note 2)*	Total interests	
Wong Chi Wing, Joseph	4,000,000(L)	1,701,810,000(L)	24,380,000(L)	1,730,190,000(L)	41.60%
	–	50,000,000(S)	–	50,000,000(S)	1.20%
Cheng Hairong	–	–	24,380,000(L)	24,380,000(L)	0.59%
Chu Kwok Chi Robert	–	–	4,000,000(L)	4,000,000(L)	0.10%
Leung Hon Chuen	–	–	2,380,000(L)	2,380,000(L)	0.06%
Xu Mingshe	–	–	2,000,000(L)	2,000,000(L)	0.05%
Poon Kwok Shin, Edmond	–	–	3,580,000(L)	3,580,000(L)	0.09%

Notes:

1. Climax Associates Limited is 51% owned by Rich Concept Worldwide Limited.

2. Rich Concept Worldwide Limited is wholly owned by Mr. Wong Chi Wing, Joseph, a Director and Chairman of the Company.

3. "L" refers to the long position in the Shares held by such entity, while "S" refers to short position in the Shares held by such entity.

Subsequent to the period, as at 18 September 2007, being the latest practicable date prior to the printing of this interim report (the "Latest Practicable Date"), the long positions of Mr. Wong Chi Wing Joseph in the shares and underlying shares increased to a total of 1,737,526,000 shares representing approximately 42.02% interest (compared to a total of 1,730,190,000 shares representing approximately 41.60% as at 30 June 2007) by virtue of SFO as a result of his further acquisitions in aggregate of 10,120,000 shares on the exchange and disposal of 2,784,000 shares off the exchange pursuant to the exercise of a private warrant by the warrant holders. Corresponding to the exercise of the private warrant by the warrant holders, the short positions of Mr. Wong Chi Wing Joseph in the shares and underlying shares reduced to a total of 47,216,000 shares representing approximately 1.14% interest (compared to a total of 50,000,000 shares representing approximately 1.20% as at 30 June 2007) by virtue of SFO.

On 7 August 2007, Mr. Poon Kwok Shin Edmond exercised a share option of 1,200,000 shares and the Company issued 1,200,000 shares to him accordingly.

Save as disclosed above, no Directors or Chief Executive have any interests or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to be have under such provisions) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required in the Listing Rules pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange.

Substantial Shareholders

As at 30 June 2007, according to the register of interests maintained by the Company pursuant to section 336 of the Securities and Futures Ordinance ("SFO") and so far as is known to, or can be ascertained after reasonable enquiry by the Directors or chief executive of the Company, the following persons, other than the Directors and the chief executive of the Company, who had an interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group and the amount of each of such person's interests in such securities, together with particulars of any options in respect of such capital were as follows:

Name of Shareholders	Position	Capacity	Number of Shares held	Approximate percentage of the issued share capital the Company
Climax Associates Limited *(Note 1)*	Long	Beneficial owner	1,701,810,000 (L) 50,000,000(S)	40.91% 1.20%
Rich Concept Worldwide Limited Concept *(Note 2)*	Long	Interest of a controlled corporation	1,701,810,000 (L) 50,000,000(S)	40.91% 1.20%

Notes:

1. Climax Associates Limited is 51% owned by Rich Concept Worldwide Limited.
2. Rich Concept Worldwide Limited is wholly owned by Mr. Wong Chi Wing, Joseph, a Director and Chairman of the Company.
3. "L" refers to the long position in the Shares held by such entity, while "S" refers to short position in the Shares held by such entity.

Subsequent to the period, as at 18 September 2007, being the latest practicable date prior to the printing of this interim report (the "Latest Practicable Date"), the long positions of Climax Associates Limited and Rich Concept Worldwide Limited in the shares and underlying shares increased to a total of 1,708,146,000 shares representing approximately 41.31% interest (compared to a total of 1,701,810,000 shares representing approximately 40.91% as at 30 June 2007) by virtue of SFO as a result of her further acquisitions in aggregate of 9,120,000 shares on the exchange and disposal of 2,784,000 shares off the exchange pursuant to the exercise of a private warrant by the warrant holders. Corresponding to the exercise of the private warrant by the warrant holders, the short positions of Climax Associates Limited and Rich Concept Worldwide Limited in the shares and underlying shares reduced to a total of 47,216,000 shares representing approximately 1.14% interest (compared to a total of 50,000,000 shares representing approximately 1.20% as at 30 June 2007) by virtue of SFO.

Saved as disclosed above, as at the Latest Practicable Date, so far as is known to, or can be ascertained after reasonable enquiry by the Directors or chief executive of the Company, no persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly, deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or has any options in respect of such capital.

Share Option Scheme

The Company's share option scheme (the "Scheme") was adopted for a period of 10 years commencing 6 November 2006 pursuant to an Ordinary Resolution passed at the Special General Meeting of the Shareholders held on 6 November 2006 for he purpose of providing incentives or rewards to selected employees and directors for their contribution to the Group.

Under the Scheme, the Company may grant options to selected employees and directors of the Company and its subsidiaries, to subscribe for shares in the Company. Additionally, the Company may, from time to time, grant share options to eligible vendors, customers, advisors and consultants to the Company and its subsidiaries at the discretion of the Board of Directors.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point of time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders, Independent non-executive directors, or any of their respective associates (including a discretionary trust whose discretionary objects include a substantial shareholders, Independent non-executive directors, or any of their respective associates) in excess of 0.1% of the Company's share capital or with a value in excess of HK$5,000,000 must be also approved by the Company's shareholders.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the sate of the offer of the share options which must be a business day; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

As at 30 June 2007, options to subscribe for an aggregate of 247,440,000 shares of the Company granted to the Directors and certain employees pursuant to the Scheme remained outstanding, details of which were as follows:

	Number of share options								
Name of Director	At 1 January 2007	Grant during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 30 June 2007	Date of Grant	Exercisable period (both dates inclusive)	Exercise price	Closing price immediately before the date of grant
Mr. Wong Chi Wing Joseph	–	8,380,000	–	–	8,380,000	31 January 2007	21 February 2007 to 31 December 2009	0.205	0.205
	–	8,000,000	–	–	8,000,000	31 January 2007	1 January 2008 to 31 December 2009	0.205	0.205

Share Option Scheme

Name of Director	At 1 January 2007	Number of share options Grant during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 30 June 2007	Date of Grant	Exercisable period (both dates inclusive)	Exercise price	Closing price immediately before the date of grant
	–	8,000,000	–	–	8,000,000	31 January 2007	1 January 2009 to 31 December 2009	0.205	0.205
Mr. Cheng Hairong	–	8,380,000	–	–	8,380,000	31 January 2007	21 February 2007 to 31 December 2009	0.205	0.205
	–	8,000,000	–	–	8,000,000	31 January 2007	1 January 2008 to 31 December 2009	0.205	0.205
	–	8,000,000	–	–	8,000,000	31 January 2007	1 January 2009 to 31 December 2009	0.205	0.205
Mr. Chu Kwok Chi Robert	–	1,340,000	–	–	1,340,000	31 January 2007	21 February 2007 to 31 December 2009	0.205	0.205
	–	660,000	–	–	660,000	31 January 2007	1 January 2008 to 31 December 2009	0.205	0.205
	–	680,000	–	–	680,000	21 February 2007	1 January 2008 to 31 December 2009	0.30	0.27
	–	1,320,000	–	–	1,320,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
Mr. Leung Hon Chuen	–	1,200,000	(1,200,000)	–	–	31 January 2007	21 February 2007 to 31 December 2009	0.205	0.205
	–	800,000	–	–	800,000	31 January 2007	1 January 2008 to 31 December 2009	0.205	0.205

Share Option Scheme

Name of Director	At 1 January 2007	Number of share options: Grant during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 30 June 2007	Date of Grant	Exercisable period (both dates inclusive)	Exercise price	Closing price immediately before the date of grant
	–	400,000	–	–	400,000	21 February 2007	1 January 2008 to 31 December 2009	0.30	0.27
	–	1,180,000	–	–	1,180,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
Mr. Poon Kwok Shin, Edmond *(note 1)*	–	1,200,000	–	–	1,200,000	31 January 2007	21 February 2007 to 31 December 2009	0.205	0.205
	–	800,000	–	–	800,000	31 January 2007	1 January 2008 to 31 December 2009	0.205	0.205
	–	400,000	–	–	400,000	21 February 2007	1 January 2008 to 31 December 2009	0.30	0.27
	–	1,180,000	–	–	1,180,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
Mr. Xu Mingshe	–	680,000	–	–	680,000	21 February 2007	28 February 2007 to 31 December 2009	0.30	0.27
	–	660,000	–	–	660,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
	–	660,000	–	–	660,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
Employees *(note 2)*	–	57,500,000	–	–	57,500,000	31 January 2007	21 February 2007 to 31 December 2009	0.205	0.205

Share Option Scheme

Name of Director	At 1 January 2007	Grant during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 30 June 2007	Date of Grant	Exercisable period (both dates inclusive)	Exercise price	Closing price immediately before the date of grant
		Number of share options							
	–	57,500,000	–	–	57,500,000	31 January 2007	1 January 2008 to 31 December 2009	0.205	0.205
	–	55,320,000	–	–	55,320,000	31 January 2007	1 January 2009 to 31 December 2009	0.205	0.205
	–	7,200,000	–	–	7,200,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
	–	9,200,000	–	–	9,200,000	21 February 2007	1 January 2009 to 31 December 2009	0.30	0.27
Total	–	248,640,000	(1,200,000)	–	247,440,000				

Notes:

(1) Subsequent to the period, as at 18 September 2007, being the latest practicable date prior to the printing of this interim report, Mr. Poon Kwok Shin Edmond had exercised share options amounting to 1,200,000 shares at the subscription price of HK$0.205 per share.

(2) Subsequent to the period, as at 18 September 2007, being the latest practicable date prior to the printing of this interim report, an employee had exercised share options amounting to 2,000,000 shares at the subscription price of HK$0.205 per share.

Additional Information

EMPLOYEES

As at 30 June 2007, the Group had a total of about 27 employees in Hong Kong and 300 in PRC. Employee's cost (excluding directors' emoluments) amounted to approximately 8.9 million (2006: 1.3 million). The Group ensures that the pay levels of its employees are competitive according to market trend and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2007, the Company repurchased and redeemed the shares as follows:

Date	Number of Shares repurchased	Method of Shares repurchase	Prices per Share Highest HK$	Prices per Share Lowest HK$
5 January 2007	5,900,000	On the Exchange	0.210	0.206
10 January 2007	1,500,000	On the Exchange	0.197	0.192
11 January 2007	1,440,000	On the Exchange	0.195	0.193
12 January 2007	5,360,000	On the Exchange	0.201	0.193
15 January 2007	1,300,000	On the Exchange	0.203	0.201
16 January 2007	2,500,000	On the Exchange	0.200	0.194
17 January 2007	2,300,000	On the Exchange	0.195	0.190
18 January 2007	200,000	On the Exchange	0.189	0.189
19 January 2007	3,000,000	On the Exchange	0.202	0.198
	23,500,000			

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has compiled with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

For the period ended 30 June 2007, the Company has complied with the CG Code with deviations from the code provision A.2.1 and A.4.1 of the CG Code as summarized below.

The code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Wong Chi Wing Joseph is the chairman and chief executive officer of the company. The Company recognises the importance of segregating the duties of the chairman and the chief executive officer and when a high calibre executive could be identified, he would be invited to take up either one role in the forthcoming year.

The code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Currently the non-executive directors were not appointed for a specific term. However, all non-executive directors were subject to the retirement and rotation requirements in accordance with the Company's Bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Upon specific enquiry by the Company, all directors have confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the period.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited consolidated accounts for the six months ended 30 June 2007 with the Directors.

The Audit Committee comprises two Independent Non-executive Directors, namely Mr. Poon Kwok Shin Edmond (Chairman of the Audit Committee) and Mr. Xu Mingshe and one Non-executive Director, Mr. Leung Hon Chuen. Mr. Poon is a certified public accountant.

BOARD OF DIRECTORS

As at the date of this report the Board comprises three executive Directors, namely, Mr. Wong Chi Wing, Joseph, Mr. Cheng Hairong and Mr. Chu Kwok Chi, Robert, one non-executive Director, namely Mr. Leung Hon Chuen and three independent non-executive Directors, namely, Mr. Xu Mingshe, Mr. Wu Xiaoke and Mr. Poon Kwok Shin, Edmond.

On behalf of the Board
EPI (Holdings) Limited
Wong Chi Wing Joseph
Chairman

Hong Kong, 18 September 2007

Interim Dividend

The Board of directors has resolved to declare an interim dividend of HK0.25 cents per share (30 June 2006: NIL) for the six months ended 30 June 2007 to shareholders whose names appear on the register of members of the Company on Thursday, 18 October 2007. The interim dividend will be paid on or around 31 October 2007.

Closure of Register of Members – Interim Dividend Payment

The Registrar of members will be closed from Monday, 15 October 2007 to Thursday, 18 October 2007, both days inclusive, during which period no share transfer will be registered. In order to qualify for the interim dividend declared for the six months ended 30 June 2007, all transfer documents should be lodged with the Company's Hong Kong Branch Share Registrar, Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Friday, 12 October 2007.

Financial Results

The Board of Directors (the "Board") of EPI (Holdings) Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively "EPI" or the "Group") for the six months ended 30 June 2007 (the "Interim Period"), together with the comparative figures for the corresponding period ended 30 June 2006 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2007

	Notes	For the six months period ended 30 June 2007 HK$'000 (Unaudited)	2006 HK$'000 (Unaudited)
Turnover	3	**424,101**	190,613
Cost of sales		**(373,289)**	(185,559)
Gross profit		**50,812**	5,054
Other income		**4,469**	–
Selling and distribution costs		**(9,237)**	(116)
Administrative expenses		**(18,545)**	(3,636)
Operating profit	4	**27,499**	1,302
Finance costs	5	**(460)**	(15)
Profit before income tax		**27,039**	1,287
Taxation	6	**(3,602)**	(212)
Profit for the period attributable to equity holders of the Company		**23,437**	1,075
Earnings per share for profit attributable to the equity holders of the Company	7		
– Basic (Hong Kong cents)		**0.65**	0.01
– Diluted (Hong Kong cents)		**0.63**	0.01

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2007

	Notes	**As at 30 June 2007 HK$'000 (Unaudited)**	As at 31 December 2006 HK$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**31,984**	779
		31,984	779
Current assets			
Inventories		**79,452**	–
Trade and other receivables	8	**280,702**	91,395
Cash and cash equivalents		**557,772**	191,344
		917,926	282,739
TOTAL ASSETS		**949,910**	283,518
Capital and reserves			
Share capital	10	**41,595**	36,082
Reserves		**711,756**	229,566
Total owners' equity		**753,351**	265,648
Current liabilities			
Trade and other payables	9	**119,862**	15,832
Bank borrowings – due within one year		**71,285**	–
Income tax payables		**5,412**	2,038
		196,559	17,870
Total liabilities		**196,559**	17,870
Total equity and liabilities		**949,910**	283,518
Net current assets		**721,367**	264,869
Total assets less current liabilities		**753,351**	265,648

Financial Results

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June, 2007

	Share Capital HK$'000	Share Premium HK$'000	Capital Redemption Reserve HK$'000	Contributed surplus account HK$'000	Share based payment reserve HK$'000	Warrant reserve HK$'000	Exchange Reserve HK$'000	Accumulated (losses)/ profits HK$'000	Total HK$'000
As at 1 January 2006	80,763	792,011	9,924	145,372	–	–	–	(1,322,447)	(294,377)
Profit for the period	–	–	–	–	–	–	–	1,075	1,075
At 30 June 2006	80,763	792,011	9,924	145,372	–	–	–	(1,321,372)	(293,302)
Capital Reduction	(79,955)	–	–	79,955	–	–	–	–	–
Issue of subscription and additional shares	24,278	62,250	–	(3,528)	–	–	–	–	83,000
Open offer	1,453	6,851	–	–	–	–	–	–	8,304
Placing of new shares	3,746	33,529	–	–	–	–	–	–	37,275
Capital reserve reduction	–	(894,641)	(9,924)	904,565	–	–	–	–	–
Set off the entire accumulated losses of the Company	–	–	–	(1,066,042)	–	–	–	1,066,042	–
Shares after debt restructuring	6,050	166,037	–	–	–	–	–	–	172,087
Shares repurchase	(253)	(5,330)	–	–	–	–	–	–	(5,583)
Profit for the period	–	–	–	–	–	–	–	263,867	263,867
At 31 December 2006	36,082	160,707	–	60,322	–	–	–	8,537	265,648
Placing of new shares	5,736	446,188	–	–	–	–	–	–	451,924
Issue of warrants	–	(358)	–	–	–	11,470	–	–	11,112
Recognition of share based payment expenses	–	–	–	–	4,000	–	–	–	4,000
Issue of shares under share option scheme	12	234	–	–	–	–	–	–	246
Profit for the period	–	–	–	–	–	–	–	23,437	23,437
Exchange differences arising on translation of foreign operations	–	–	–	–	–	–	1,685	–	1,685
Shares repurchase	(235)	(4,466)	–	–	–	–	–	–	(4,701)
At 30 June 2007	41,595	602,305	–	60,322	4,000	11,470	1,685	31,974	753,351

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2007

	Six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Profit before taxation	**27,039**	1,287
Bank interest income	**(1,347)**	–
Depreciation	**167**	14
Provision share based payment	**4,000**	–
Bank interest paid	**460**	–
Loss on metals future trading contracts	**3,208**	–
Operating cash flow before working capital changes	**33,527**	1,301
(Increase) in inventories	**(79,452)**	–
(Increase)/Decrease in trade receivable and other receivable	**(192,515)**	1,071
Increase/(Decrease) in trade payable and other payable	**104,030**	(2,419)
Cash used in operations	**(134,410)**	(47)
Hong Kong profits tax (paid)/received	**(228)**	151
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	**(134,638)**	104
INVESTING ACTIVITIES		
Interest received	**1,347**	–
Bank interest paid	**(460)**	–
Purchases of property, plant and equipment	**(31,372)**	–
NET CASH USED IN INVESTING ACTIVITIES	**(30,485)**	–
FINANCING ACTIVITIES		
Inception of bank borrowings	**71,285**	–
Net payment on repurchase of shares	**(4,701)**	–
Net proceeds from issue of shares	**452,170**	–
Net proceeds from warrants contribution	**11,112**	–
NET CASH FROM FINANCING ACTIVITIES	**529,866**	–
NET INCREASE IN CASH AND CASH EQUIVALENTS	**364,743**	104
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**1,685**	–
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**191,344**	59
CASH AND CASH EQUIVALENTS AT 30 JUNE	**557,772**	163
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	**557,772**	163

Notes to the Financial Statements

For the six months ended 30 June 2007

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard (the "HKAS") 34 Interim Financial Reporting.

The Group adopts the proportionate consolidation method as set out in the Hong Kong Accounting Standard ("HKAS") 31 "Interest in Jointly Controlled Entities" for the recognition of interests in Qingyuan JCCL EPI Copper Limited ("Qingyuan JCCL EPI"). The Directors of the Company consider that the use of proportionate consolidation method better reflects the substance and economic reality of the Group's interests in Qingyuan JCCL EPI.

Under the proportionate consolidation method, the Group's share of assets, liabilities, income and expenses of joint controlled entities is combined on a line-by-line basis with similar items in the Group's financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2006. In the current interim period, the Group has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning on 1 January 2007.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKFRS 7	Financial Instruments: Disclosures[1]
HK(IFRIC)-INT 7	Applying the Restatement Approach Under HKAS 29 Financial Reporting in Hyperinflationary Economies[2]
HK(IFRIC)-INT 8	Scope of HKFRS 2[3]
HK(IFRIC)-INT 9	Reassessment of Embedded Derivatives[4]
HK(IFRIC)-INT 10	Interim Financial Reporting and Impairment[5]

1 Effective for annual periods beginning on or after 1 January 2007
2 Effective for annual periods beginning on or after 1 March 2006
3 Effective for annual periods beginning on or after 1 May 2006
4 Effective for annual periods beginning on or after 1 June 2006
5 Effective for annual periods beginning on or after 1 November 2006

The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognized.

2. SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The Group has not early applied the following new standard, revision and interpretations that have been issued but are not yet effective.

HKAS 23 (Revised)	Borrowing Costs[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC)-INT 11	HKFRS 2: Group and Treasury Share Transactions[2]
HK(IFRIC)-INT 12	Service Concession Arrangements[3]

1 Effective for annual periods beginning on or after 1 January 2009
2 Effective for annual periods beginning on or after 1 March 2007
3 Effective for annual periods beginning on or after 1 May 2008

The directors of the Company anticipate that the application of the standard, revision and interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER AND SEGMENT INFORMATION

For management purposes, the Group has organised its business operation into three segments, namely, metals sourcing and trading, production of copper anode and consumer electronics. These segments are the basis on which the Group reports its primary operating information.

	Six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
Revenue		
– Metals sourcing and trading	**249,663**	–
– production of copper anode	**123,053**	–
– consumer electronics	**51,385**	190,613
	424,101	190,613
Segment results		
– Metals sourcing and trading	**35,677**	–
– production of copper anode	**3,502**	–
– consumer electronics	**563**	2,716
	39,742	2,716
Unallocated income	**1,348**	–
Unallocated expenses	**(13,591)**	(1,414)
Finance costs	**(460)**	(15)
Profit before taxation	**27,039**	1,287
Income tax charge	**(3,602)**	(212)
Profit for the period	**23,437**	1,075

Notes to the Financial Statements
For the six months ended 30 June 2007

4. OPERATING PROFIT

The following items have been charged/(credited) to the operating profit during the period:

	Six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
Bank interest income	**(1,347)**	–
Depreciation of property, plant and equipment	**167**	14
Operating leases on land and building	**1,570**	370
Restructuring expenses	**–**	1,414
Loss on metals future trading contracts	**3,208**	–
Staff costs, including directors' emoluments	**11,117**	1,271
Share-based payment under options scheme	**4,000**	–

5. FINANCE COSTS

	Six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
Interest on:		
Bank loans, overdraft and borrowings wholly repayable within one year	**460**	15

6. TAXATION

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profits for the six months ended 30 June 2007 and the six months ended 30 June 2006.

7. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended 30 June	
	2007	2006
	HK$'000	HK$'000
Profit for the period attributable to equity Holders of the Company for the purpose of basic and diluted earnings per share	**23,437**	1,075
	'000	'000
Number of shares		
Weighted average of ordinary shares for the purpose of basic earnings per share	**3,621,048**	8,076,257
Effect of dilutive potential ordinary shares issuable under the Company's share option scheme	**103,370**	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**3,724,418**	8,076,257

As there were no dilutive potential ordinary shares outstanding as at 30 June 2006, the diluted earnings per share for the six months ended 30 June 2006 is the same as the basic earnings per share of HK0.01 cents.

8. TRADE AND OTHER RECEIVABLES

	As at 30 June 2007	As at 31 December 2006
	HK$'000	HK$'000 (Audited)
Trade receivables	**170,761**	2,797
Other receivables and prepayment	**109,941**	88,598
	280,702	91,395

Notes to the Financial Statements
For the six months ended 30 June 2007

8. TRADE AND OTHER RECEIVABLES – CONTINUED

The Group generally granted credit terms to its customers ranging from cash on delivery to 90 days. The ageing analysis of trade receivables, net of impairment losses, is as follows:

	As at 30 June 2007 HK$'000	As at 31 December 2006 HK$'000 (Audited)
0 – 30 days	**149,027**	2,521
31 – 60 days	**20,476**	77
61 – 90 days	**421**	–
Over 90 days	**837**	199
	170,761	2,797

9. TRADE AND OTHER PAYABLES

	As at 30 June 2007 HK$'000	As at 31 December 2006 HK$'000 (Audited)
Trade payables	**61,777**	–
Other payables and accruals	**58,085**	15,832
	119,862	15,832

The ageing analysis of the trade payables is as follows:

	As at 30 June 2007 HK$'000	As at 31 December 2006 HK$'000 (Audited)
0 – 30 days	**61,777**	–
31 – 60 days	**–**	–
61 – 90 days	**–**	–
Over 90 days	**–**	–
	61,777	–

10. SHARE CAPITAL

	Number of shares	Amount
		HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 31 December 2006 and 30 June 2007	25,000,000,000	250,000
Issued and fully paid:		
At 1 January 2007	3,608,212,570	36,082
Shares placing	573,540,000	5,736
Shares repurchase	(23,500,000)	(235)
Exercise of share options	1,200,000	12
At 30 June 2007	4,159,452,570	41,595

(a) On 14 June 2007, the Company entered into a subscription with Climax Associates Limited, the controlling shareholder of the Company to allot and issued 573,540,000 ordinary shares of HK$0.01 each to her at a subscription price of HK$0.81 per share. The subscription agreement is conditional upon completion of the placing made by the placing agent on behalf of Climax Associates Limited. On 20 June 2007, following the completion of the placing, 573,540,000 ordinary shares of HK$0.01 were issued to Climax Associates Limited pursuant to the subscription agreement.

(b) The Company repurchased a total of 23,500,000 ordinary shares on the Stock Exchange as follows:

Month of repurchase	Ordinary shares of HK$0.1 each	Price per share Highest	Price per share Lowest	Aggregate consideration paid
		HK$	HK$	HK$'000
January 2007	23,500,000	0.228	0.189	4,689

(c) During the period, 1,200,000 ordinary shares of HK$0.01 each were issued at HK$0.205 per share upon the exercise of the share options of the Company by a share option holder and all these shares rank pari passu with other ordinary shares of the Company in all respects.

Notes to the Financial Statements
For the six months ended 30 June 2007

11. WARRANTS

On 14 June 2007, the Company entered into the Warrant Placing Agreement with the placing Agent pursuant to which the placing Agent agreed to place Warrants attaching the rights to subscribe for 143,380,000 Shares on the basis of the initial exercise price of HK$0.94 per Warrant Share, on behalf of the Company, to placees who are independent of the Company and its connected persons, at the issue price of HK$0.08 per Warrant. The Warrants were exercisable from 29 June 2007 to 28 June 2009. The Warrants are not dilutive to the earnings per share for the period ended 30 June 2007.

12. SHARE-BASED PAYMENT TRANSACTIONS

The Company has share options scheme for eligible employees and director of the Company. Details of the options are as follows:

Date of grant	Number of Share Options granted	Vesting period (Date)	Exercise period	Exercise price
31 January 2007	78,000,000	21.02.2007	21.02.2007 – 31.12.2009	HK$0.205
31 January 2007	75,760,000	01.01.2008	01.01.2008 – 31.12.2009	HK$0.205
31 January 2007	71,320,000	01.01.2009	01.01.2009 – 31.12.2009	HK$0.205
21 February 2007	680,000	28.02.2007	28.02.2007 – 31.12.2009	HK$0.3
21 February 2007	9,340,000	01.01.2008	01.01.2008 – 31.12.2009	HK$0.3
21 February 2007	13,540,000	01.01.2009	01.01.2009 – 31.12.2009	HK$0.3

The following table discloses movements of the Company's share options held by certain employees and directors during the period:

	Date of grant		
	31.01.2007	21.02.2007	Total
Number of share options granted	225,080,000	23,560,000	248,640,000
Exercised during the period	(1,200,000)	–	(1,200,000)
Outstanding at 30.06.2007	223,880,000	23,560,000	247,440,000
Exercisable as at 30.06.2007	76,800,000	680,000	77,480,000

The closing price of the Company's share immediately before 31 January 2007 and 21 February 2007 was HK$0.205 and HK$0.27 respectively.

The average closing price of the Company's shares immediately before the date on which the options were exercised was HK$0.81.

The Group recognised expense of approximately HK$4 million for the six months ended 30 June 2007 (six months ended 30 June 2006: HK$NIL) in relation to share options granted by the Company.

Corporate Information

EPI (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE

The Stock Exchange of Hong Kong Limited: 0689

WEBSITE ADDRESS

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DIRECTORS

Executive Directors:
Mr. Wong Chi Wing Joseph (Chairman & CEO)
Mr. Cheng Hairong (Deputy Chairman)
Mr. Chu Kwok Chi Robert

Non-Executive Director:
Mr. Leung Hon Chuen

Independent Non-Executive Directors:
Mr. Poon Kwok Shin Edmond
Mr. Xu Mingshe
Mr. Wu Xioake

COMPANY SECRETARY AND QUALIFIED ACCOUNTANT

Hong Kin Choy

PRINCIPAL BANKERS

Citic Ka Wah Bank Limited
Hang Seng Bank Limited
Standard Chartered Bank (Hong Kong) Limited

SOLICITORS

Vincent T. K. Cheung & Yap

AUDITORS

Ting Ho Kwan & Chan

AUDIT COMMITTEE

Mr. Leung Hon Chuen
Mr. Poon Kwok Shin Edmond
Mr. Xu Mingshe

PRINCIPAL SHARE REGISTRAR

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Pembroke
Bermuda

BRANCH SHARE REGISTRAR

Tengis Limited
26/F., Tesbury Centre
28 Queen's Road East
Hong Kong

INVESTOR'S CONTACT

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Miss Rose Cheung
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Tense 生鋁機件

Aluminium Radiator 鋁製水箱

Taint/Tabor 雜鋁料

Taint/Tabor 雜鋁料

Tense 生鋁機件

Honey 廢黃銅


Communication cable 通訊電線


Enamel wire 漆包線


No.2 copper 二號銅


Bright and Shinny 光亮銅


No.1 copper 一號銅


Copper nodules 銅米