EPI (Holdings) Limited
長盈集團(控股)有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 689)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2013

Reference is made to the annual report (the "**Annual Report**") of EPI (Holdings) Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2013 published on 27 April 2014 and the announcements of the Company dated 21 January 2013 in respect of placing of new shares with unlisted warrants under specific mandate, 26 February 2013 in respect of issue of convertible notes and 22 July 2013 in respect of placing of new shares under general mandate (the "**Announcements**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

The board of directors (the "**Board**") of the Company would like to provide additional information regarding the following capital raising activities of the Company as disclosed in the Announcements and the paragraph headed "Liquidity and Financial Resources" in the section headed "Management Discussion and Analysis" of the Annual Report.

PLACING OF NEW SHARES WITH UNLISTED WARRANTS ATTACHED UNDER SPECIAL MANDATE

On 21 January 2013, the Company entered into a placing agreement in respect of "best efforts" placing of up to 125,000,000 new Shares ("Placing Shares") at a price of HK$0.18 per Placing Share, together with 625,000,000 unlisted transferable warrants to be issued on the basis of 5 warrants for each Placing Share issued, at no initial issue price, entitling the holder of each warrant to subscribe for one new Share, at an exercise price of HK$0.20 at any time for a period of three years from the date of issue of such warrant. The placing price of HK$0.18 per Placing Share represented a discount of approximately 5.26% to the closing price of HK$0.19 per Share as quoted on the Stock Exchange on 21 January 2013, being the date of the placing agreement.

* *for identification purpose only*

The placing of 125,000,000 Placing Shares with unlisted warrants attached to not less than 6 independent third parties was completed on 1 March 2013. No warrants had been exercised as at 31 December 2013. The Directors considered the placing offered good opportunities to raise further capital and broaden the shareholders base of the company thereby increasing the liquidity of the Shares as well as to strengthen the financial position of the Group. The net proceeds from the placing, after deduction of the placing commission and other related expenses, was approximately HK$21.6 million and had been used as general working capital of the Group in accordance with the intended use disclosed in the Announcement dated 21 January 2013. The net price per Placing Share to the Company was approximately HK$0.173 per Placing Share.

ISSUE OF HK$100,000,000 8% CONVERTIBLE NOTES DUE 2015

On 24 February 2013, the Company and an independent third party entered into a conditional subscription agreement in respect of the subscription of 8% convertible notes in the principal amount of HK$100,000,000 due 2015 ("Convertible Notes"), convertible into 526,315,789 Shares at the initial conversion price of HK$0.19 per Share (subject to adjustments). The initial conversion price of HK$0.19 per Share represented a premium of approximately 0.53% to the closing price of HK$0.189 per share as quoted on the Stock Exchange on 22 February 2013, being the last trading day prior to the trading halt pending the release of the Announcement dated 26 February 2013.

Completion of the subscription agreement and the issue of the Convertible Notes took place on 11 April 2013. The Directors considered the issue of the Convertible Notes offered a good opportunity for the Company to raise further capital as well as to strengthen the financial position of the Group. The net proceeds from the issue of the Convertible Notes (after deducting all related expenses including a finder's fee of HK$3.5 million to an independent corporation licensed to carry out Type 1, 4, 5 and 9 regulated activities under the Securities and Futures Ordinance for the introduction of the subscriber to the Company) of approximately HK$95.5 million had been applied as to (i) approximately HK$65.4 million (as opposed to HK$80.0 million stated in the Announcement dated 26 February 2013) for the repayment of the Company's debts; and (ii) approximately HK$30.1 million (as opposed to HK$15.5 million stated in the Announcement dated 26 February 2013) for general working capital of the Group. Less of the net proceeds was allocated towards the repayment of debt as initially expected, due to the roll over of certain of the Company's debts to mature at a later date. Consequently, the Company deployed more of the net proceeds towards general working capital as that would be more efficient way to manage the Group's cashflow. The net price per conversion Share to the Company (based on the initial conversion price of HK$0.19) was approximately HK$0.181.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 22 July 2013, the Company entered into a placing agreement in respect of the "best efforts" placing of up to 650,000,000 new Shares ("Placing Shares") at a price of HK$0.19 per Placing Share. The placing price of HK$0.19 per Placing Share represented a discount of approximately 6.40% over the closing price of HK$0.203 per share as quoted on the Stock Exchange on 22 July 2013, being the date of the placing agreement.

The placing of 650,000,000 Placing Shares to not less than 6 independent third parties was completed on 27 August 2013. The Directors considered the placing represent an opportunity to raise capital for the Company and enlarge the equity and shareholder base of the Company. The net proceeds, after deduction of the placing commission and other related expenses, was approximately HK$118.6 million and the intended use as stated in the Announcement dated 22 July 2013 and the actual use up to 31 December 2013 are illustrated as follows:

Use	**Intended amount allocated in Announcement dated 22 July 2013**	**Actual allocated amount**
Repayment of the Company's debts	Approximately HK$14 million	Approximately HK$14.9 million. The increase was attributable to interests accrued on debts rolled over
Professional fees incurred in the feasibility study of the potential merger and acquisition project(s)	Approximately HK$20 million	Approximately HK$20 million, of which HK$10.3 million had been utilized
General working capital of the Group	Approximately HK$84.6 million	Approximately HK$83.7 million, of which HK$61.9 million had been utilized

The net price per Placing Share to the Company was approximately HK$0.182 per Placing Share.

The above information does not affect other information contained in the Annual Report and, save as disclosed in this announcement, the contents of the Annual Report remain unchanged.

By Order of the Board
EPI (Holdings) Limited
Tse Kwok Fai, Sammy
Executive Director & CEO

Hong Kong, 20 August 2014

As at the date of this announcement, the Board comprises the non-executive chairman, namely Mr. Ho King Fung, Eric, two executive directors, namely Mr. Tse Kwok Fai, Sammy (chief executive officer) and Mr. Chan Chi Hung, Anthony, and three independent non-executive directors, namely Mr. Qian Zhi Hui, Mr. Teoh Chun Ming and Mr. Zhu Tiansheng.