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TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 00093)

PROPOSED SEPARATE LISTING OF TERMBRAY PETRO-KING OILFIELD SERVICES LIMITED

INTRODUCTION

Reference is made to the announcement of the Company dated 16 August 2012 whereby it was announced that the management of Petro-king submitted a listing application form (Form A1) to the Stock Exchange for the listing of, and permission to deal in, the Petro-king Shares under the Global Offering on the Main Board of the Stock Exchange.

ISSUE OF THE PROSPECTUS

The Board was informed by the management of Petro-king that on 22 February 2013, Petro-king issued the Prospectus in connection with the Proposed Separate Listing. The Prospectus contained, among other things, details of the number of Petro-king Shares to be issued under the Global Offering, the indicative offer price range for the Petro-king Shares under the Global Offering, other details of the Global Offering and certain business and financial information relating to Petro-king and its subsidiaries. The Prospectus is available for viewing and downloading from the Stock Exchange's website at <http://www.hkexnews.hk> from 22 February 2013.

THE GLOBAL OFFERING

According to the Prospectus, the Global Offering comprises the International Placing and the Hong Kong Public Offering. The 250,000,000 Offer Shares initially being offered in the Global Offering will represent approximately 25% of the enlarged issued shares of Petro-king immediately after completion of the Global Offering and the capitalisation issue, assuming that the Over-allotment Option is not exercised.

A total of 225,000,000 Petro-king Shares, representing 90% of the initial total number of the Offer Shares, will initially be offered under the International Placing. A total of 25,000,000 Petro-king Shares, representing 10% of the initial total number of the Offer Shares, will initially be offered under the Hong Kong Public Offering. The number of Petro-king Shares to be offered under the Global Offering is subject to reallocation as described in the Prospectus.

The Hong Kong Public Offering will be fully underwritten by the Hong Kong underwriters, subject to the terms and conditions of the Hong Kong underwriting agreement.

The International Placing will be fully underwritten by the international underwriters, subject to the terms of the international underwriting agreement.

OVER-ALLOTMENT OPTION

According to the Prospectus, Petro-king is expected to grant an Over-allotment Option to the international underwriters (exercisable by the Sole Global Coordinator on behalf of the international underwriters) to require Petro-king to allot and issue up to an aggregate of 37,500,000 additional Petro-king Shares, representing 15% of the initial Offer Shares, at the same price per Offer Share at which the Offer Shares were initially offered under the International Placing, to cover over-allocations in the International Placing (if any) on the same terms and conditions as the Offer Shares that are subject to the Global Offering.

FINANCIAL EFFECTS OF THE PROPOSED SEPARATE LISTING

According to the unaudited consolidated management accounts of the Group for the six months ended 30 September 2012, the carrying value of the Group's 45.4% interest in Petro-king was recorded as HK\$458,239,000.

According to the Prospectus, the net proceeds of the Global Offering accruing to Petro-king (after deduction of underwriting fees and estimated expenses payable by Petro-king in relation to the Global Offering, assuming that the Over-allotment Option is not exercised) are estimated to be approximately HK\$633.7 million, assuming an Offer Price of HK\$2.78 per Petro-king Share, and approximately HK\$784.0 million, assuming an Offer Price of HK\$3.39 per Petro-king Share.

Assuming the median Offer Price of HK\$3.09 per Petro-king Share and assuming that the Over-allotment Option is not exercised, immediately upon completion of the Global Offering and the capitalisation issue, (i) the net proceeds of the Global Offering accruing to Petro-king (after deduction of underwriting fees and estimated expenses payable by Petro-king in relation to the Global Offering) are estimated to be approximately HK\$710.2 million and (ii) the Group's interest in Petro-king will be reduced from approximately 45.4% to approximately 34.08% of the enlarged issued shares of Petro-king. Based on the above net proceeds of the Global Offering estimated at the median Offer Price of HK\$3.09 per Petro-king Share and the unaudited carrying value of the Group's 45.4% interest in Petro-king as at 30 September 2012, the Board expects that the Group will recognise an estimated gain of approximately HK\$128 million resulting from such deemed disposal of the Group's partial interest in Petro-king. It should be noted that the actual gain amount depends on (i) whether the Over-allotment Option is exercised by the Sole Global Coordinator on behalf of the international underwriters and (ii) the actual net proceeds of the Global Offering accruing to Petro-king, and can only be ascertained upon the availability of (i) the net asset value of Petro-king on the date immediately prior to the listing of the Petro-king Shares on the Main Board of the Stock Exchange and (ii) the net asset value of Petro-king on the date immediately upon completion of the listing of the Petro-king Shares on the Main Board of the Stock Exchange.

GENERAL

The listing of the Petro-king Shares pursuant to the Proposed Separate Listing is subject to, among other things, the Listing Approval and the Offer Price of Petro-king Shares in the Global Offering having been duly agreed between the Company and the Joint Bookrunners (for themselves and on behalf of the underwriters) on or before 5 March 2013. If, for any reason, the Offer Price of Petro-king Shares in the Global Offering is not agreed between the Company and the Joint Bookrunners (for themselves and on behalf of the underwriters) on or before 5 March 2013, the Global Offering and the Proposed Separate Listing will not proceed. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Proposed Separate Listing will take place or as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing or investing in the Shares.

Any decision to apply for Petro-king Shares under the Global Offering should be based solely on the information provided in the Prospectus.

DEFINITIONS

“Board”	the board of Directors of the Company
“China Galaxy International”	China Galaxy International Securities (Hong Kong) Co., Limited, a licensed corporation under the SFO to carry out type 1 (dealing in securities) regulated activities under the SFO
“CIMB”	CIMB Securities Limited, a licensed corporation under the SFO to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
“Company”	Termbray Industries International (Holdings) Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 00093)
“Directors”	the directors (including the independent non-executive directors) of the Company
“Global Offering”	the Hong Kong Public Offering and the International Placing
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Offer Shares”	the 25,000,000 new Petro-king Shares to be initially offered by Petro-king for subscription at the Offer Price pursuant to the Hong Kong Public Offering (subject to adjustment)

“Hong Kong Public Offering”	the offer of Hong Kong Offer Shares for subscription by the public in Hong Kong for cash at the Offer Price, on and subject to the terms and conditions described in the Prospectus and the related application forms
“International Placing”	the conditional placing by the international underwriters of the International Placing Shares with institutional, professional and other investors as described in the Prospectus
“International Placing Shares”	the 225,000,000 new Petro-king Shares initially being offered by Petro-king for subscription under the International Placing together, where relevant, with any additional Petro-king Shares that may be issued pursuant to any exercise of the Over-allotment Option
“Joint Bookrunners”	the Sole Global Coordinator, CIMB and China Galaxy International
“Listing Approval”	the approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, Petro-king Shares on the Main Board of the Stock Exchange
“Offer Price”	the final offer price per Petro-king Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee) at which the Petro-king Shares are to be issued pursuant to the Global Offering, as described in the Prospectus
“Offer Shares”	the Hong Kong Offer Shares and the International Placing Shares together, where relevant, with any additional Petro-king Shares allotted and issued pursuant to the exercise of the Over-allotment Option
“Over-allotment Option”	the option expected to be granted by Petro-king to the Sole Global Coordinator (on behalf of the international underwriters), pursuant to the international placing agreement, to require Petro-king to issue and allot up to an aggregate of 37,500,000 additional Petro-king Shares at the same price per Offer Share at which the Offer Shares were initially offered under the International Placing, to cover over-allocations in the International Placing (if any) on the same terms and conditions as the Offer Shares that are subject to the Global Offering
“Petro-king”	Termbray Petro-king Oilfield Services Limited, a company incorporated in the British Virgin Islands with limited liability and in which the Company is indirectly interested in approximately 45.4% of its issued shares as at the date of this announcement
“Petro-king Shares”	ordinary shares in the capital of Petro-king with no par value
“Proposed Separate Listing”	the proposed separate listing of the Petro-king Shares on the Main Board of the Stock Exchange
“Prospectus”	the prospectus issued by Petro-king on 22 February 2013 in relation to the Global Offering

“Sole Global Coordinator”	CCB International Capital Limited, a licensed corporation under the SFO permitted to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities (as defined under the SFO), acting as the sole sponsor, sole global coordinator and joint bookrunner and joint lead manager of the Global Offering
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Shares of the Company
“Shares”	ordinary share(s) of HK\$0.08 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board of
Termbray Industries International (Holdings) Limited
LEE Lap
Chairman

Hong Kong, 22 February 2013

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Lee Lap (*Chairman*)

Mdm. Leung Lai Ping

Mr. Tommy Lee (*Vice Chairman & Chief Executive Officer*)

Mr. Wong Shiu Kee

Independent Non-Executive Directors:

Mr. Lo Yiu Hee

Mr. Tong Hin Wor

Mr. Siu Lok Chow, Gabriel

Non-Executive Director:

Mr. Lee Ka Sze, Carmelo