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TERMBRAY INDUSTRIES INTERNATIONAL (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

Website: www.termbray.com.hk

(Stock Code: 0093)

TERMINATION OF ACQUISITION AGREEMENTS

The Board announces that on 31 October 2008, the Company and the other parties to the Acquisition Agreements entered into the Termination Agreements to terminate the Acquisition Agreements.

Reference is made to the announcement (the “**Announcement**”) of the Company dated 12 August 2008 in relation to the acquisition (the “**Acquisition**”) of the entire equity interest in Enruida PRC and Enruida HK. Terms used herein have the same respective meanings as those defined in the Announcement unless the content requires otherwise.

In view of the global financial crisis and current stock market condition, the parties to the Enruida PRC Acquisition Agreement and the Enruida HK Acquisition Agreement (the “**Acquisition Agreements**”) have reassessed the appropriateness of timing and merits of the terms of the Acquisition Agreements and mutually agreed not to proceed with the Acquisition Agreements. On 31 October 2008, the Company and the other parties to the Acquisition Agreements entered into the termination agreements (“**Termination Agreements**”) to terminate the Acquisition Agreements.

Pursuant to the Termination Agreements, the parties to the Acquisition Agreements mutually and irrevocably agree that the Acquisition Agreements be terminated with immediate effect and the Acquisition Agreements shall lapse and be of no further effect and no party to the Acquisition Agreements shall have any claim against or liability or obligation to the other parties to Acquisition Agreements including but not limited to any antecedent breaches of the Acquisition Agreements. Each party to the Acquisition Agreements shall bear its own costs and disbursements in relation to the Acquisition.

The Directors consider that the termination of the Acquisition Agreements has no material adverse impact on the business development of the Group. The Directors believe that the Group has a strong financial position and will continue its cautious approach in looking for investment opportunities.

By order of the Board
Termbay Industries International (Holdings) Limited
Lee Lap
Chairman

Hong Kong, 31 October 2008

As at the date hereof, the executive Directors are Mr. Lee Lap, Mdm. Leung Lai Ping, Mr. Tommy Lee, Mr. Wang Jinlong and Mr. Wong Shiu Kee; the non-executive Director is Mr. Lee Ka Sze, Carmelo; and the independent non-executive Directors are Mr. Lo Yiu Hee, Mr. Chan Siu Kang and Mr. Tong Hin Wor.