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TAI-I INTERNATIONAL HOLDINGS LIMITED

台一國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1808)

UPDATE ON THE POSSIBLE CHANGE IN CONTROL OF THE COMPANY GROUP REORGANIZATION AND DISTRIBUTION IN SPECIE PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Rule 3.7 of the Takeovers Code.

Reference is made to the announcements of Tai-I International Holdings Limited (the “**Company**”) dated 14 September 2010 and 22 September 2010 (the “**Announcement**”) in relation to the MOU resulting in possible change in control of the Company, the Reorganisation and the Distribution (the “**Proposed Transactions**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Board would like to update the Shareholders and the public investors that the Proposed Transactions are still in discussion amongst the relevant parties. No formal or legal binding agreement has been reached as at the date of this announcement.

In accordance with Rule 3.7 of the Takeovers Code, the Company is required to issue update announcements on a monthly basis until the publication of an announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer or of termination of talks.

There is no assurance that any transaction mentioned in the Announcement will materialize or eventually be consummated and the discussion may or may be lead to a general offer. Shareholders and the public investors are urged to exercise extreme caution when dealing in the Shares.

The Company will comply with the relevant requirements under the Listing Rules and the Takeovers Code should there be any development on the discussions as and when required.

By order of the Board
Tai-I International Holdings Limited
Huang Cheng-Roang
Chairman

Hong Kong, 21 October 2010

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Huang Cheng-Roang (Chairman), Mr. Lin Chi-Ta (Chief Executive Officer), Mr. Huang Kuo-Feng and Mr. Du Chi-Ting, and five independent non-executive Directors, namely Mr. Kang Jung-Pao, Mr. Cheng Yang-Yi, Mr. Tsay Yang-Tzong, Mr. Yan Minghe and Mr. Atsushi Kanayama.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.