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KINGBOARD CHEMICAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 148)

**Voluntary conditional cash offers in Hong Kong by
Citigroup Global Markets Asia Limited
on behalf of
EASE EVER INVESTMENTS LIMITED,
an indirectly wholly-owned subsidiary of
Kingboard Chemical Holdings Limited,
to acquire all of the issued shares in the capital of,
and for cancellation of all outstanding options of,
ELEC & ELTEK INTERNATIONAL HOLDINGS LIMITED
(other than those already owned by the Hong Kong Offeror or
parties acting in concert with it)**

**Possible mandatory unconditional cash offers in Singapore by
Citigroup Global Markets Singapore Pte. Limited
on behalf of
ELITELINK HOLDINGS LIMITED,
an indirectly wholly-owned subsidiary of
Kingboard Chemical Holdings Limited,
to acquire all of the issued and paid-up ordinary shares in the capital of
ELEC & ELTEK INTERNATIONAL COMPANY LIMITED
(other than those already owned by the Singapore Offeror or
parties acting in concert with it and those owned by
Elec & Eltek International Holdings Limited)**

MAJOR TRANSACTION RESULTS OF THE EGM HELD ON 19 NOVEMBER 2004

RESULTS OF THE EGM

At the EGM of the Company held on 19 November 2004, the Resolution in relation to, inter alia, the acquisition of E&E Shares and EEIC Shares and the cancellation of E&E Options was duly passed by the Shareholders by a show of hands. Accordingly, Condition (1) of the Hong Kong Offers has been fulfilled.

Reference is made to the announcement dated 12 October 2004 and the circular dated 3 November 2004 (the "Circular") issued by the Company in respect of, among other things, the Hong Kong Offers and the Singapore Share Offer. Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the Circular.

RESULTS OF THE EGM

The Board is pleased to announce that a quorum was present throughout the EGM held on 19 November 2004 and that the ordinary resolution proposed in relation to, among other things, the acquisition of E&E Shares and EEIC Shares and the cancellation of E&E Options (the "Resolution") was duly passed by the Shareholders by a show of hands at the EGM. Accordingly, Condition (1) of the Hong Kong Offers has been fulfilled. The Company and the Hong Kong Offeror will make further announcement when Conditions (2), (3) and (4) have also been fulfilled and the Hong Kong Offers have become unconditional in all respects.

By order of the board of
Kingboard Chemical Holdings Limited
Lo Ka Leong
Company Secretary

Hong Kong, 19 November 2004

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, opinion expressed in this announcement has 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.

As at the date of this announcement, the board of Directors consists of Messrs. Cheung Kwok Wing, Chan Wing Kwan, Lam Ka Po, Cheung Kwong Kwan, Cheung Kwok Wa, Cheung Kwok Ping, Cheung Kwok Keung, Chang Wing Yiu and Mok Cham Hung, Chadwick, being the executive Directors, Mr. Lum Gum Wun, being a non-executive Director and Messrs. Tsao Kwang Yung, Peter, Cheng Ming Fun, Paul and Tse Kam Hung, being the independent non-executive Directors.

"Please also refer to the published version of this announcement in The Standard."